API Well Number: 43047526280000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL

1. WELL NAME and NUMBER
RW 7B4-27B

2. TYPE OF WORK
DRILL NEW WELL ● REENTER P&A WELL ○ DEEPEN WELL ○

3. FIELD OR WILDCAT
RED WASH

4. TYPE OF WELL
Gas Well Coalbed Methane Well: NO

5. UNIT or COMMUNITIZATION AGREEMENT NAME
RED WASH

6. NAME OF OPERATOR
QEP ENERGY COMPANY

7. OPERATOR PHONE
303 308-3068

8. ADDRESS OF OPERATOR
11002 East 17500 South, Vernal, Ut, 84078

9. OPERATOR E-MAIL
debbie.stanberry@qepres.com

10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)
UTU0566

11. MINERAL OWNERSHIP
FEDERAL ● INDIAN ○ STATE ○ FEE ○

12. SURFACE OWNERSHIP
FEDERAL ● INDIAN ○ STATE ○ FEE ○

13. NAME OF SURFACE OWNER (if box 12 = 'fee')

14. SURFACE OWNER PHONE (if box 12 = 'fee')

15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')

16. SURFACE OWNER E-MAIL (if box 12 = 'fee')

17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')

18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS
YES ○ (Submit Commingling Application) NO ●

19. SLANT
VERTICAL ○ DIRECTIONAL ● HORIZONTAL ○

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2516 FSL 639 FEL	NESE	27	7.0 S	23.0 E	S
Top of Uppermost Producing Zone	1829 FNL 2302 FEL	SWNE	27	7.0 S	23.0 E	S
At Total Depth	1829 FNL 2302 FEL	SWNE	27	7.0 S	23.0 E	S

21. COUNTY
UINTAH

22. DISTANCE TO NEAREST LEASE LINE (Feet)
639

23. NUMBER OF ACRES IN DRILLING UNIT
1920

25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)
5940

26. PROPOSED DEPTH
MD: 11328 TVD: 11018

27. ELEVATION - GROUND LEVEL
5502

28. BOND NUMBER
ESB000024

29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE
49-251/49-2153

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	12.25	9.625	0 - 3721	40.0	N-80 LT&C	0.0	35/65 Poz	460	3.12	11.0
							50/50 Poz	240	1.47	13.5
I1	8.5	4.5	0 - 6375	9.5	HCP-110 LT&C	9.5	No Used	0	0.0	0.0
Prod	7.875	4.5	0 - 11328	11.6	HCP-110 LT&C	10.5	35/65 Poz	660	3.18	11.0
							50/50 Poz	550	1.65	13.5

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

- ☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- ☑ COMPLETE DRILLING PLAN
- ☐ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)
- ☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
- ☑ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)
- ☑ TOPOGRAPHICAL MAP

NAME Jan Nelson | **TITLE** Permit Agent | **PHONE** 435 781-4331

SIGNATURE | **DATE** 04/30/2012 | **EMAIL** jan.nelson@qepres.com

API NUMBER ASSIGNED
43047526280000

APPROVAL
Permit Manager

RECEIVED: May 17, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil & Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated top of important geologic markers are as follows:

Formation Name	TVD (ft, RKB)	MD (ft, RKB)
Duchesne River/Uinta	0	0
Green River	2763	2854
Mahogany	3528	3668
Estimated Btm of Mod Saline Water	5018	5252
Wasatch	6078	6375
Mesaverde	8388	8698
Sego	10718	11028
TD	11018	11328

2. Anticipated Depths of Oil, Gas, Water, and Other Mineral Bearing Zones

The estimated depths at which the top of the anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered as follows:

Formation Name (Substance)	Depth (ft, TVD)	Depth (ft, MD)
Green River (Oil)	2763	2854
Wasatch (Gas)	6078	6375
Mesaverde (Gas)	8388	8698
Sego (Gas)	10718	11028

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #49-251 (which was filed on May 7, 1964) or Red Wash water right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System, to supply fresh water for drilling purposes. All water resulting from drilling operations will be disposed of at LaPoint Recycling and Storage in Section 12, T5S R19E of Uintah County, UT or Red Wash Disposal site; SESE, Section 28, T7S, R23E or West End Disposal Site; NESE, Section 28, T7S, R22E.

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E

3. Operator's Specification for Pressure Control Equipment

A. An 11" 5000 psi double ram with blind rams and pipe rams, annular preventer and drilling spool or BOP with 2 side outlets.

B. All BOP connections subject to pressure shall be flanged, welded or clamped.

C. Kill line (2" min), 2 choke line valves (3" min), choke line (3" min), 2 kill line valves (2" min) and a check valve, 2 chokes with one remotely controlled from rig floor and a pressure gauge on choke manifold.

D. Upper and Lower Kelly cock valves with handles and safety valve and subs to fit all drill string connections.

E. IBOP or float sub available.

F. Fill up line must be installed above the uppermost preventer.

G. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc…, for a 5M system and individual components shall be operable as designed.

4. Casing Design:

* This well is designed with a 7" contingency liner in the event that drilling problems are encountered, though not anticipated, in the lower Green River formation. The contingency liner would cover from the top of the Wasatch formation to 300' inside the surface casing shoe. To facilitate this contingency string, an 8.5" diameter hole will be drilled from the base of the surface casing to the top of the Wasatch. Both cases are outlined below as, "Planned", and "Contingency".

Planned Casing Design									
Name	Hole Size (in)	Csg. Size	Top (MD)	Bottom (MD)	Wt. (ppf)	Grade	Thread	Cond.	Expected MW(ppg)
Conductor	22	16	Sfc	40	Steel	Conductor	None	Used	N/A
Surface	12.25	9.625	Sfc	3721	40	N-80	LTC	New	Air
Production	8.5	4.5	Sfc	6375	11.6	HCP-110	LTC	New	9.5
Production	7.875	4.5	Sfc	11328	11.6	HCP-110	LTC	New	10.5

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E

Contingency Casing Design									
Name	Hole Size (in)	Csg. Size	Top (MD)	Bottom (MD)	Wt. (ppf)	Grade	Thread	Cond.	Expected MW(ppg)
Conductor	22	16	0	40	Steel	Conductor	None	Used	N/A
Surface	12.25	9.625	0	3721	40	N-80	LTC	New	Air
Contingency	8.5	7	3421	6375	26	N-80	LTC	New	9.5
Production	6.125	4.5	0	11328	11.6	HCP-110	LTC	New	10.5

Casing Strengths							
String Name	OD (in)	Wt (ppf)	Grade	Thread	Collapse (psi)	Burst (psi)	Tensile (kips)
Surface	9.625	40	N-80	LTC	3090	5750	727
Contingency	7	26	N-80	LTC	5410	7240	519
Production	4.5	11.6	HCP-110	LTC	8830	10710	279

Casing Design Factors

*The casing prescribed above meets or exceeds the below listed design factors.

Burst: 1.2
Collapse: 1.2
Tension: 1.6
Maximum anticipated mud weight: 10.5 ppg
Maximum anticipated surface treating pressure: 7,200 psi

5. Cementing Program

Planned Design –

9-5/8" Surface Casing:

	Lead	Tail
Slurry Name	HAL LITE 35:65 POZ	HAL 50:50 POZ
Top of Slurry (ft, MD):	0	3000
Bottom of Slurry (ft, MD):	3000	3721
Cement Coverage (ft)	3000	721
Weight (ppg):	11.0	13.5
Yeild (ft^3/sk):	3.12	1.47
% Excess (Open Hole Only):	50%	50%
Volume (ft^3):	1410	339
Volume (Sacks):	460	240

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E

4-1/2" Production Casing*:

	Lead	Tail
Slurry Name	HAL LITE 35:65 POZ	HAL 50:50 POZ
Top of Slurry (ft, MD):	3221	8698
Bottom of Slurry (ft, MD):	8698	11328
Cement Coverage (ft)	5477	2630
Weight (ppg):	11.0	13.5
Yeild (ft^3/sk):	3.18	1.65
% Excess (Open Hole Only):	50%	50%
Volume (ft^3):	2085	902
Volume (Sacks):	660	550

Contingency Design –

9-5/8" Surface Casing:

	Lead	Tail
Slurry Name	HAL LITE 35:65 POZ	HAL 50:50 POZ
Top of Slurry (ft, MD):	0	3000
Bottom of Slurry (ft, MD):	3000	3721
Cement Coverage (ft)	3000	721
Weight (ppg):	11.0	13.5
Yeild (ft^3/sk):	3.12	1.47
% Excess (Open Hole Only):	50%	50%
Volume (ft^3):	1410	339
Volume (Sacks):	460	240

7" Contingency Liner:

	Lead	Tail
Slurry Name	HAL LITE 35:65 POZ	PREMIUM G
Top of Slurry (ft, MD):	3421	6175
Bottom of Slurry (ft, MD):	6175	6425
Cement Coverage (ft)	2754	250
Weight (ppg):	12.2	15.8
Yeild (ft^3/sk):	2.23	1.15
% Excess (Open Hole Only):	0.5	0.5
Volume (ft^3):	514	50
Volume (Sacks):	240	50

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E

4-1/2" Production Casing*:

	Lead	Tail
Slurry Name	HAL LITE 35:65 POZ	HAL 50:50 POZ
Top of Slurry (ft, MD):	3221	8698
Bottom of Slurry (ft, MD):	8698	11328
Cement Coverage (ft)	5477	2630
Weight (ppg):	11.0	13.5
Yeild (ft^3/sk):	3.18	1.65
% Excess (Open Hole Only):	50%	50%
Volume (ft^3):	373	372
Volume (Sacks):	120	120

*Production cement volumes will be determined by caliper logs (if run). In all cases, QEP will attempt to exceed the prognosed top of cement in the production casing. A Cement Bond Log (CBL) will be run from the production casing shoe to the top of cement and be used to determine the quality of the cement bond. QEP Energy Company will submit a field copy of the CBL to the BLM field office in,Vernal.

6. Auxiliary Equipment

A. Kelly Cock – yes

B. Float at the bit – Yes

C. Monitoring equipment on the mud system – PVT/Flow Show

D. Full opening safety valve on the rig floor – Yes

E. Rotating Head – Yes

F. Request for Variance:

Drilling surface hole with air:

A variance from 43 CFR 3160 Onshore Oil and Gas Order #2, Section III Requirements, subsection E. Special Drilling Operations is requested for the specific operation of drilling and setting surface casing on the subject well with a truck mounted air rig. The variance from the following requirements of Order #2 is requested because surface casing depth for this well is 50' or deeper into the Mahogany Bench formation and high pressures are not expected.

1. **Properly lubricated and maintained rotating head** – A diverter system in place of a rotating head. The diverter system forces the air and cutting returns to the reserve pit and is used to drill the surface casing.
2. **Blooie line discharge 100 feet from wellbore and securely anchored** – the blooie line discharge for this operation will be located 50 to 70 feet from the wellhead. This reduced length is necessary due to the smaller location size to minimize surface disturbance.
3. **Automatic igniter or continuous pilot light on blooie line** – a diffuser will be used rather than an automatic pilot/igniter. Water is injected into the compressed air and eliminates the need for a pilot light and the need for dust suppression equipment.

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
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4. **Compressors located in the opposite direction from the blooie line a minimum of 100 feet from the wellbore** – compressors located within 50 feet on the opposite side of the wellbore from the blooie line and is equipped with a 1) emergency kill switch on the driller's console, 2) pressure relief valves on the compressors, 3) spark arrestors on the motors.

5. **Well Kill Fluid** – A suitable amount of water and weighting agents will be available in the reserve pit during air drilling operations to kill the well, if necessary. No overpressured zones are expected in the area.
6. **Deflector on the end of the blooie line** – QEP will mount a deflector unit at the end of the blooie line for the purpose of changing the direction and velocity of the air and cuttings flow into the reserve pit. Changing the velocity and direction of the cuttings and air will preserve the pit liner. In the event the deflector washes out due to erosion caused by the sand blasting effect of the cuttings, there will be no problem because the deflector is mounted on the very end of the blooie. A washed out deflector will be easily replaced.
7. **Flare Pit** – there will be no need of a flare pit during the surface hole air drilling operation because the blooie line is routed directly to the reserve pit. When the big rig arrives for the main drilling after setting surface casing, a flare box will be installed and all flare lines will be routed to the flare box.

Request for Variance:

Formation Integrity Testing:

Pursuant to Onshore Order No. 2 Section III, Subsection B(i), Formation Integrity Tests (FIT) must be performed on either exploratory wells or any well permitted to utilize 5M BOPE. QEP requests a variance to this rule, by not performing an FIT test at the surface or intermediate casing shoe for the following reasons: 1) These wells are considered development, not exploratory, and 2) it is common to encounter zones in formations below the shoe that fail at a lower Equivalent Mud Weight (EMW) than a typical FIT test.

G. Drilling below the 9-5/8" casing will be done with water based mud. Maximum anticipated mud weight is 10.5 ppg.

H. No minimum quantity of weight material will be required to be kept on location.

I. Gas detector will be used from intermediate casing depth to TD.

7. Testing, logging and coring program

A. Cores – none.

B. DST – none anticipated

C. Logging
Mud Logs: Surface casing shoe to TD
OH Surface: None
OH Production: SP-CAL-GR-RES-DEN/NEU

D. Formation and Completion Interval:
– Stimulation will be designed for the particular area of interest as encountered.

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
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8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

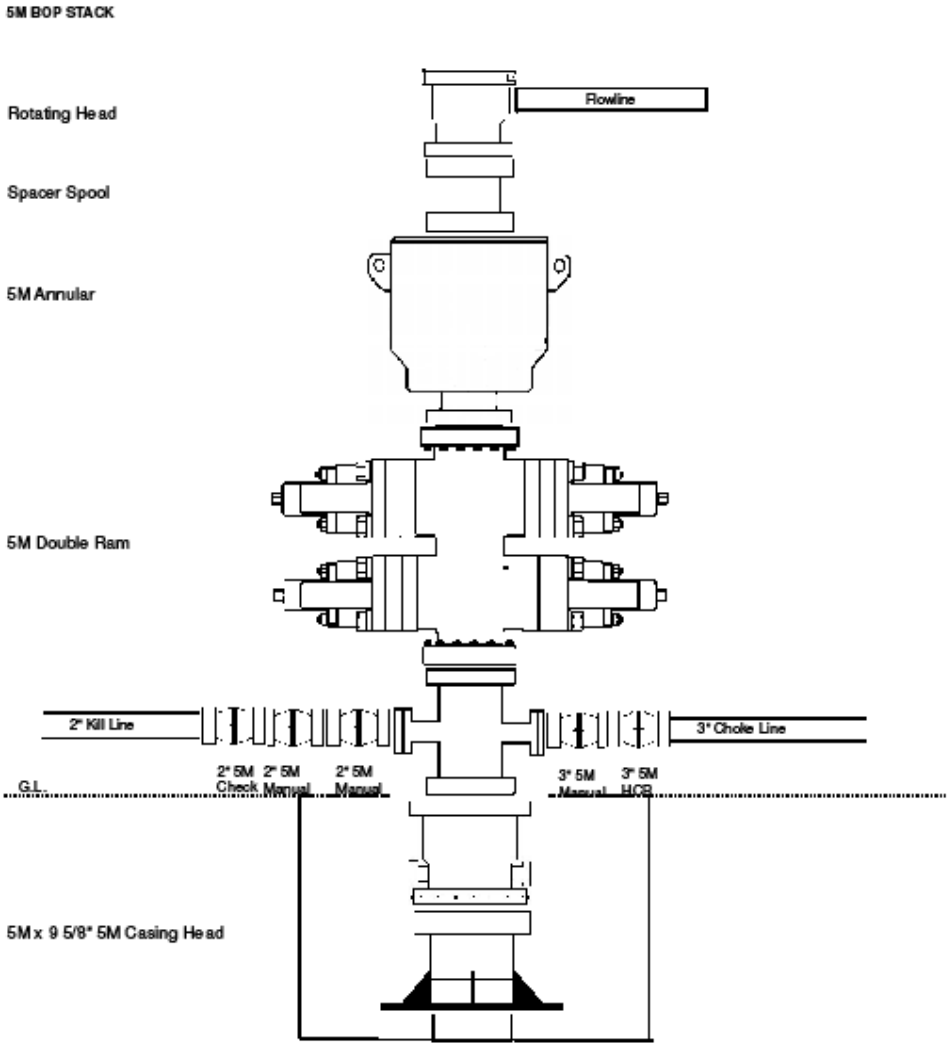
No abnormal temperatures or pressures are anticipated.

Maximum anticipated bottom hole pressure (approx, psi):	6016
Maximum anticipated bottom hole temperature (approx, deg F):	210

H2S has been known to occur in the Green River formation in varied concentrations. QEP will actively monitor for H2S during drilling operations. If H2S is found, and concentrations exceed 100 ppm, a safety contingency plan will be implemented in compliance with Onshore Order No. 6.

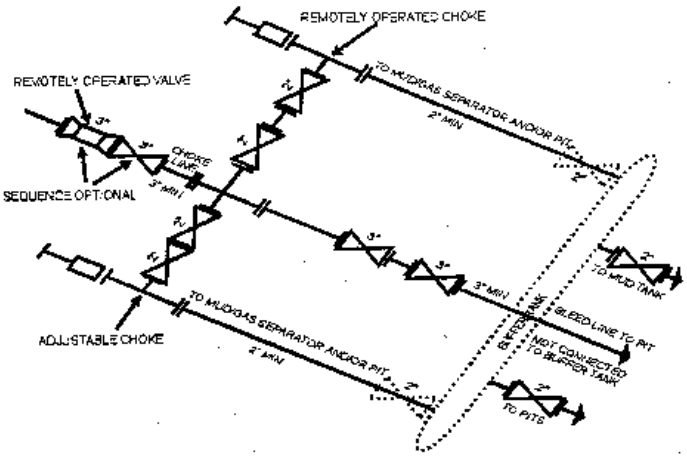
RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E



RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E



5M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY

Although not required for any of the choke manifold systems, buffer tanks are sometimes installed downstream of the choke assemblies for the purpose of manifolding the bleed lines together. When buffer tanks are employed, valves shall be installed upstream to isolate a failure or malfunction without interrupting flow control. Though not shown on 2M, 3M, 10M, OR 15M drawings, it would also be applicable to those situations.

[54 FR 39528, Sept. 27, 1989]

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E

PLANNED WELLBORE DIAGRAM

General Information	
Pad	43-27B
Pod	3
Elevation, GL	5502
Elevation, RKB	5518

Conductor Information	
Conductor set @	40
Cemented to Surface	

Directional Information		
KOP:	650	ft
Departure:	1905	ft
Azimuth:	299.30	deg

Geologic Prognosis		
Formation	**TVD**	**MD**
Duchesne River/Uintah	0	0
Green River	2763	2854
Mahogany	3528	3668
Est Btm of Mod Saline Water	5018	5252
Wasatch	6078	6375
Mesaverde	8388	8698
Sego	10718	11028
TD	11018	11328

Hole Size	From (MD)	To (MD)
12.25	0	3721
8.5	3721	6375
7.875	6375	11328

Casing Information				
Size	Wt	Grade	Top (MD)	Depth (MD)
9.625	40	N-80	0	3721
4.5	11.6	HCP-110	0	11328

Cement Program			
		Lead	**Tail**
Surf	Type	HAL LITE 35:65 POZ	HAL 50:50 POZ
	Density	11	13.5
	TOC	0	3000
Prod	Type	HAL LITE 35:65 POZ	HAL 50:50 POZ
	Density	11	13.5
	TOC	3221	8698

RECEIVED: April 30, 2012

QEP Energy Company
RW 7B4-27B
Uintah County, Utah
SHL: 2516 FSL & 639 FEL, Section 27, T7S, R23E
BHL: 1829 FNL & 2302 FEL, Section 27, T7S, R23E

CONTINGENCY WELLBORE DIAGRAM

General Information	
Pad	43-27B
Pod	3
Elevation, GL	5502
Elevation, RKB	5518

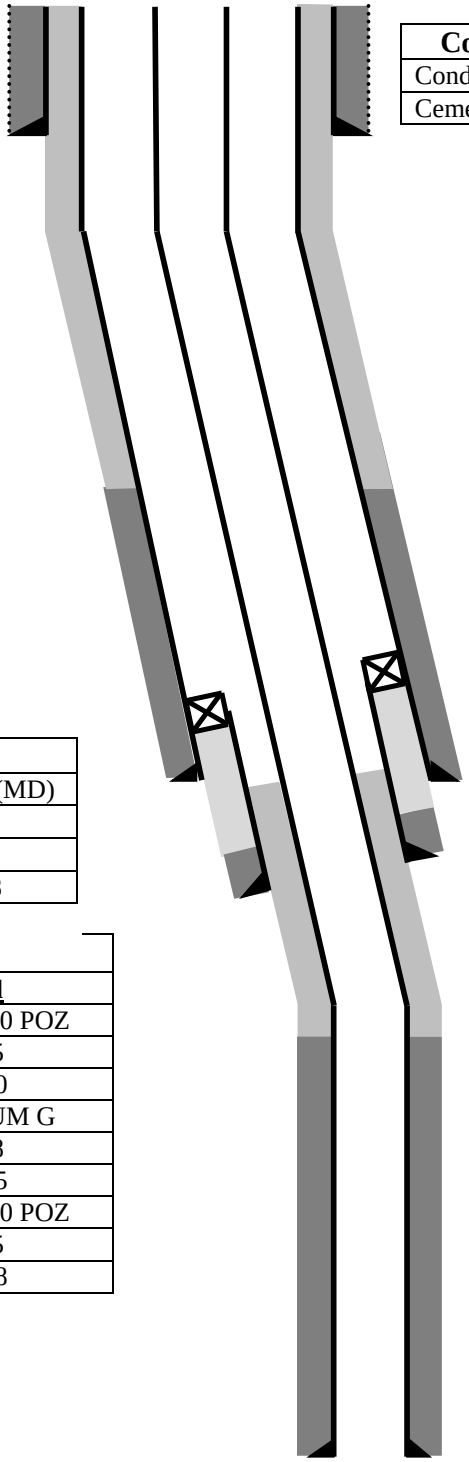
Geologic Prognosis		
Formation	**TVD**	**MD**
Duchesne River/Uintah	0	0
Green River	2763	2854
Mahogany	3528	3668
Est Btm of Mod Saline Water	5018	5252
Wasatch	6078	6375
Mesaverde	8388	8698
Sego	10718	11028
TD	11018	11328

Hole Size	From (MD)	To (MD)
12.25	0	3721
8.5	3721	6375
6.125	6375	11328

Casing Information				
Size	Wt	Grade	Top (MD)	Set Depth (MD)
9.625	40	N-80	0	3721
7	26	N-80	3421	6425
4.5	11.6	HCP-110	0	11328

Cement Program			
		Lead	**Tail**
Surf	Type	HAL LITE 35:65 POZ	HAL 50:50 POZ
	Density	11	13.5
	TOC	0	3000
Int	Type	HAL LITE 35:65 POZ	PREMIUM G
	Density	12.2	15.8
	TOC	3421	6175
Prod	Type	HAL LITE 35:65 POZ	HAL 50:50 POZ
	Density	11	13.5
	TOC	5925	8698

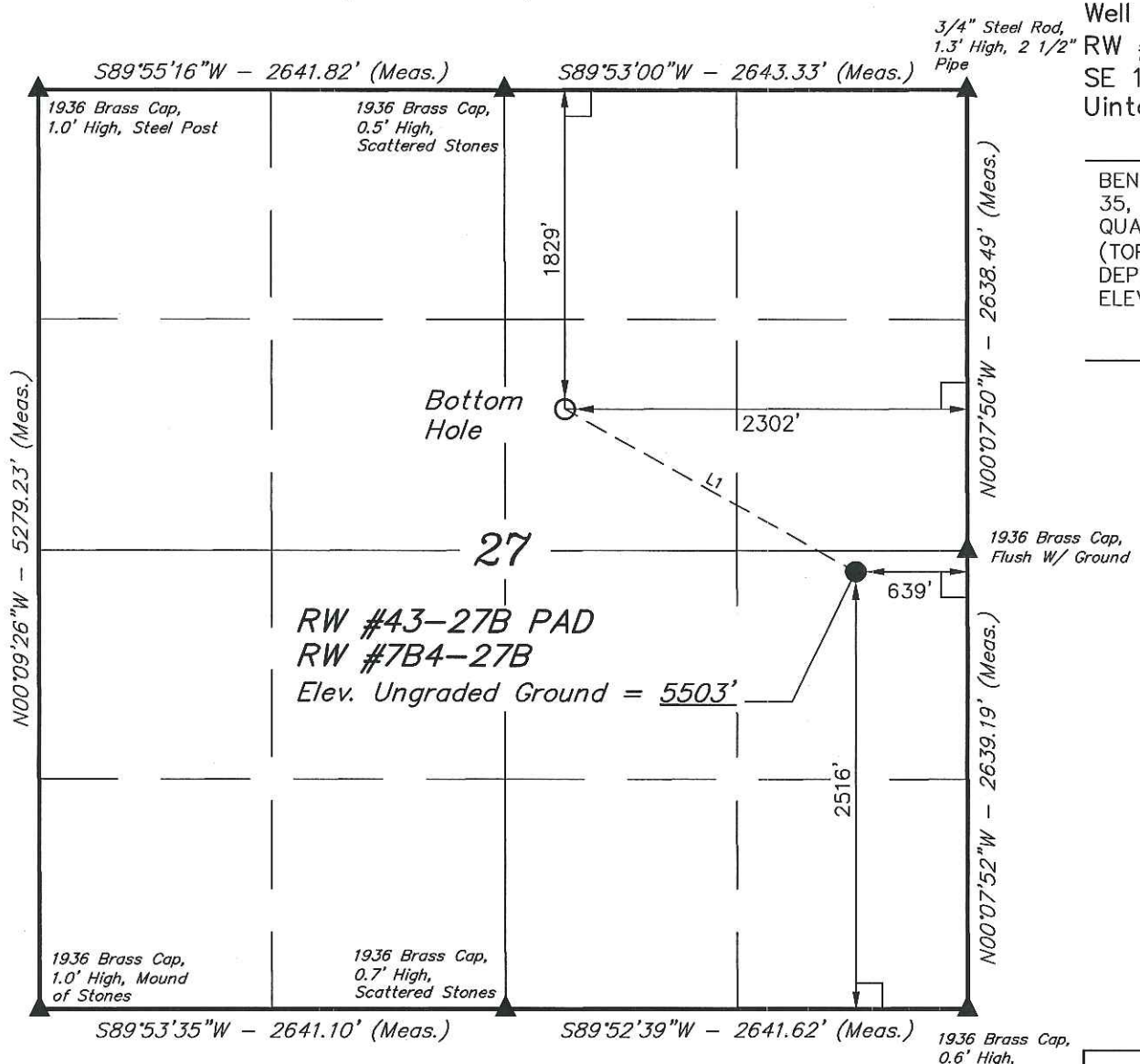
Directional Information		
KOP:	650	ft
Departure:	1905	ft
Azimuth:	299.30	deg



Conductor Information	
Conductor set @	40
Cemented to Surface	

RECEIVED: April 30, 2012

T7S, R23E, S.L.B.&M.



QEP ENERGY COMPANY

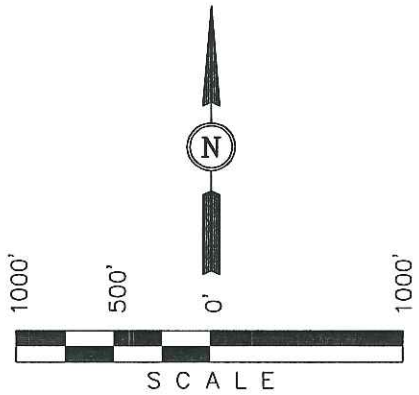
Well location, RW #43–27B PAD, Well Name RW #7B4–27B, located as shown in the NE 1/4 SE 1/4 of Section 27, T7S, R23E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH
01–10–12

LINE TABLE		
LINE	BEARING	LENGTH
L1	N60°49'15"W	1906.42'

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

NAD 83 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 40°10'57.98" (40.182772)	LATITUDE = 40°10'48.76" (40.180211)
LONGITUDE = 109°18'43.20" (109.312000)	LONGITUDE = 109°18'21.79" (109.306053)
NAD 27 (TARGET BOTTOM HOLE)	**NAD 27 (SURFACE LOCATION)**
LATITUDE = 40°10'58.10" (40.182806)	LATITUDE = 40°10'48.89" (40.180247)
LONGITUDE = 109°18'40.75" (109.311319)	LONGITUDE = 109°18'19.34" (109.305372)
STATE PLANE NAD 83 UTAH CENTRAL	**STATE PLANE NAD 83 UTAH CENTRAL**
N: 7242776.390 E: 2251664.170	N: 7241884.783 E: 2253348.550

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789–1017

SCALE: 1" = 1000'	DATE SURVEYED: 10–04–11	DATE DRAWN: 12–05–11
PARTY: A.F. C.A.G.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: QEP ENERGY COMPANY	

API well Number: 43047526280000

API Well Number: 43047526280000

QEP ENERGY COMPANY

RW #43-27B PAD

LOCATED IN UINTAH COUNTY, UTAH
SECTION 27, T7S, R23E, S.L.B.&M.

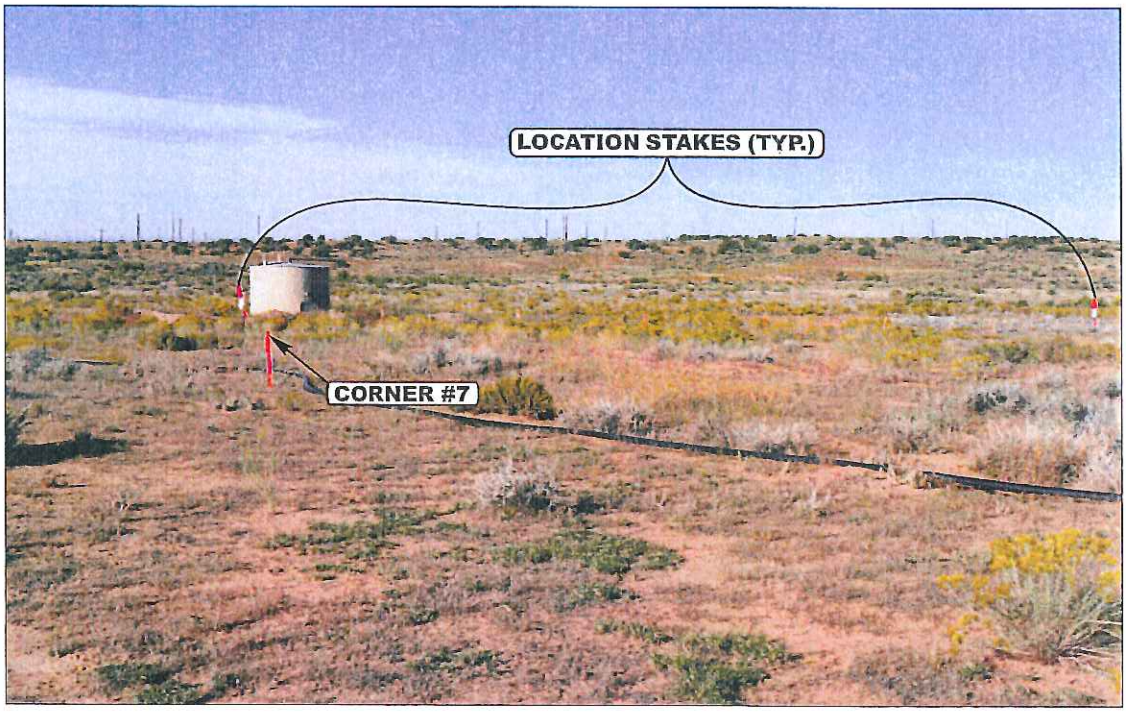


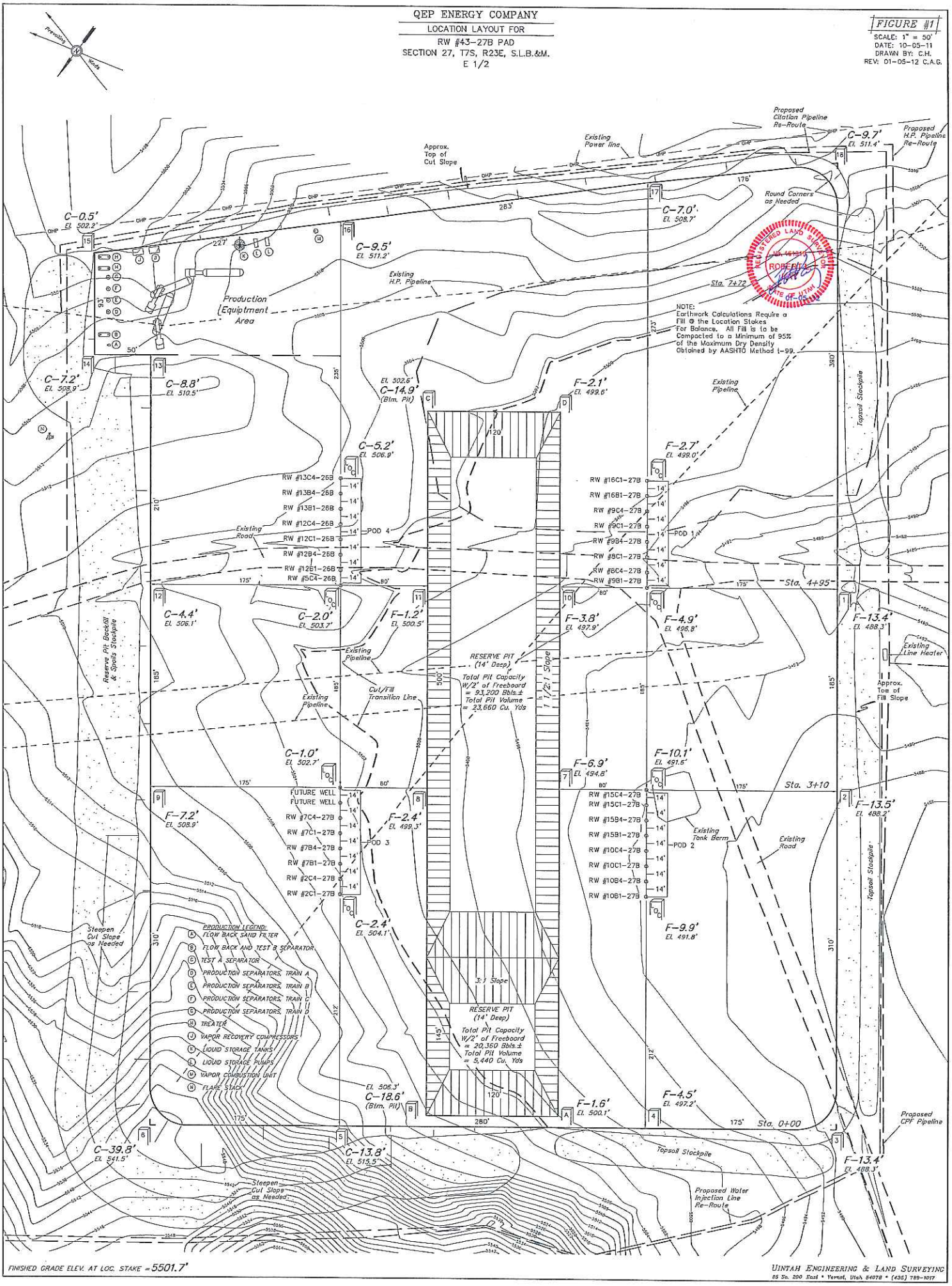
PHOTO: VIEW FROM CORNER #7 TO LOCATION STAKES — CAMERA ANGLE: SOUTHWESTERLY

PHOTO: VIEW OF EXISTING ACCESS — CAMERA ANGLE: SOUTHWESTERLY

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

LOCATION PHOTOS	10 MONTH	03 DAY	11 YEAR	PHOTO
TAKEN BY: A.F.	DRAWN BY: A.W.	REVISED: 00-00-00		

API Well Number: 43047526280000



API Well Number: 43047526280000

QEP ENERGY COMPANY

TYPICAL CROSS SECTIONS FOR

RW #43-27B PAD

SECTION 27, T7S, R23E, S.L.B.&M.

E 1/2

FIGURE #2

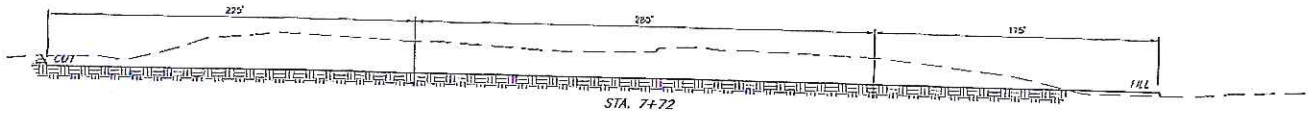
1" = 20' X-Section Scale

1" = 50'

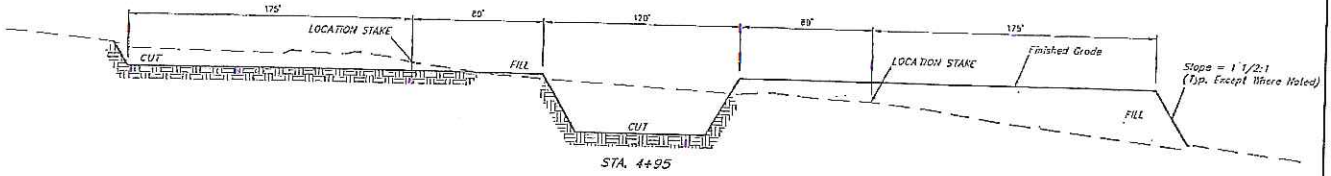
DATE: 10-05-11

DRAWN BY: C.H.

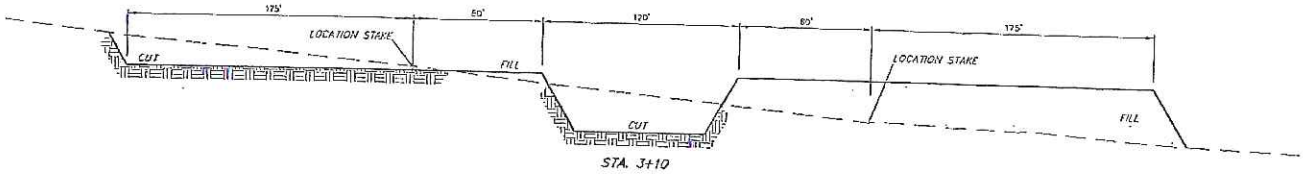
REGISTERED LAND SURVEYOR No. 161318 ROBERT L. KAY STATE OF UTAH 10-05-11



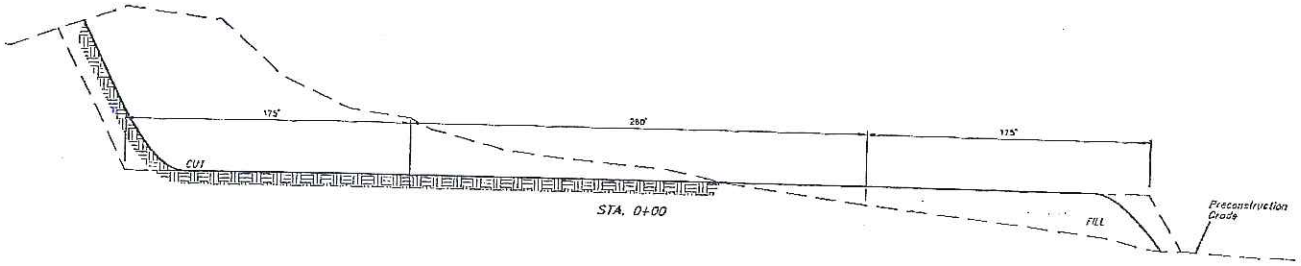
STA. 7+72



STA. 4+95



STA. 3+10



STA. 0+00

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	11,050 Cu. Yds.
Remaining Location	=	93,860 Cu. Yds.
TOTAL CUT	=	104,910 CU.YDS.
FILL	=	67,420 CU.YDS.

EXCESS MATERIAL	=37,490 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=25,600 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 11,890 Cu. Yds.

APPROXIMATE ACREAGES

WELL SITE DISTURBANCE = ±15.60 ACRES

TOTAL = ±15.60 ACRES

* NOTE: FILL QUANTITY INCLUDES 5% FOR COMPACTION

UINTAH ENGINEERING & LAND SURVEYING

85 South 200 East • Vernal, Utah 84078 • (435) 789-1017

API Well Number: 43047526280000

QEP ENERGY COMPANY

TYPICAL RIG LAYOUT FOR

RW #43-27B PAD

SECTION 27, T7S, R23E, S.L.B.&M.

E 1/2

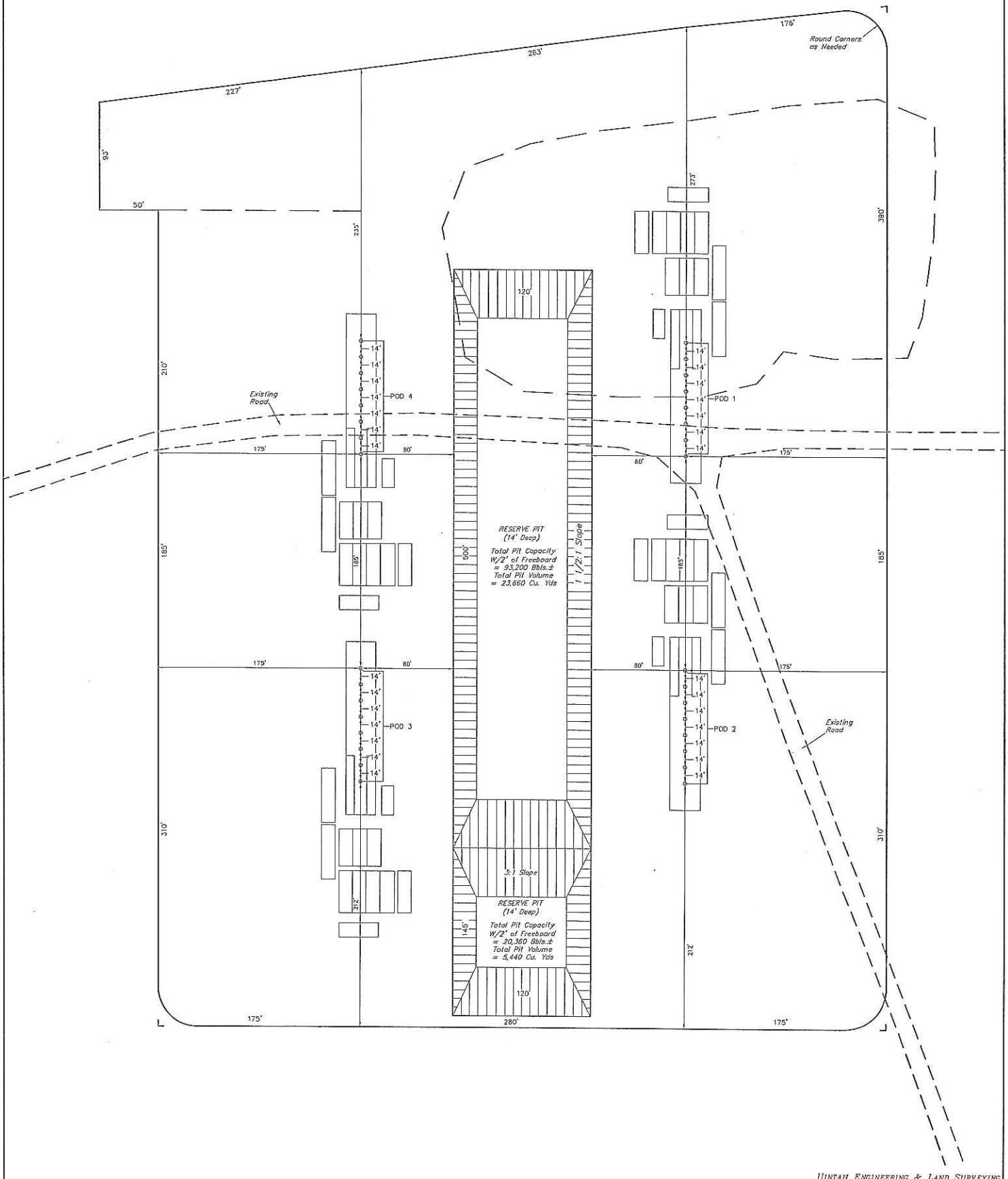
FIGURE #3

SCALE: 1" = 50'

DATE: 01-05-12

DRAWN BY: C.A.G.

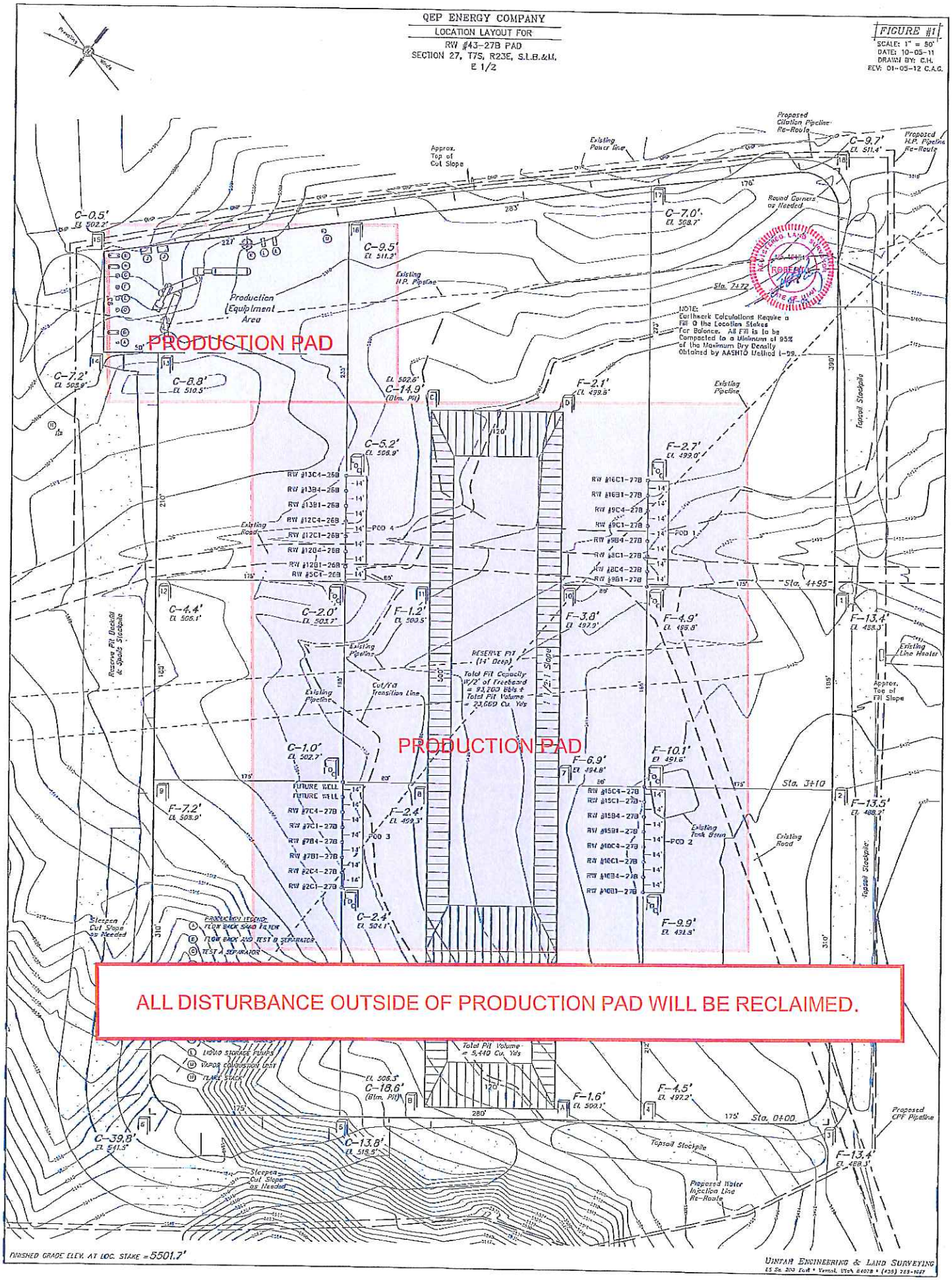
REGISTERED LAND SURVEYOR No. 161319 ROBERT L. KAY STATE OF UTAH



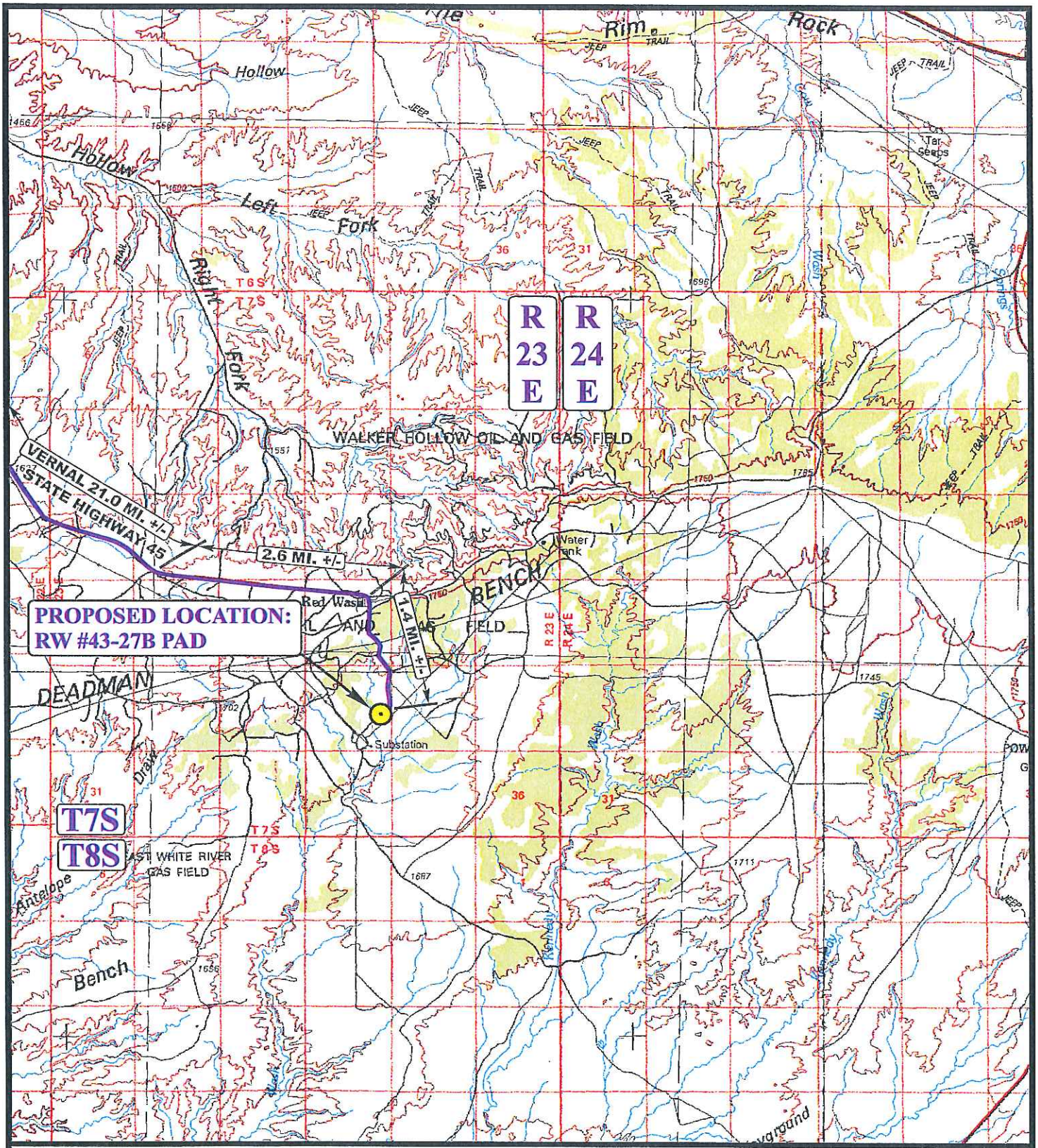
UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

API Well Number: 43047526280000



API Well Number: 43047526280000



LEGEND:

PROPOSED LOCATION

N

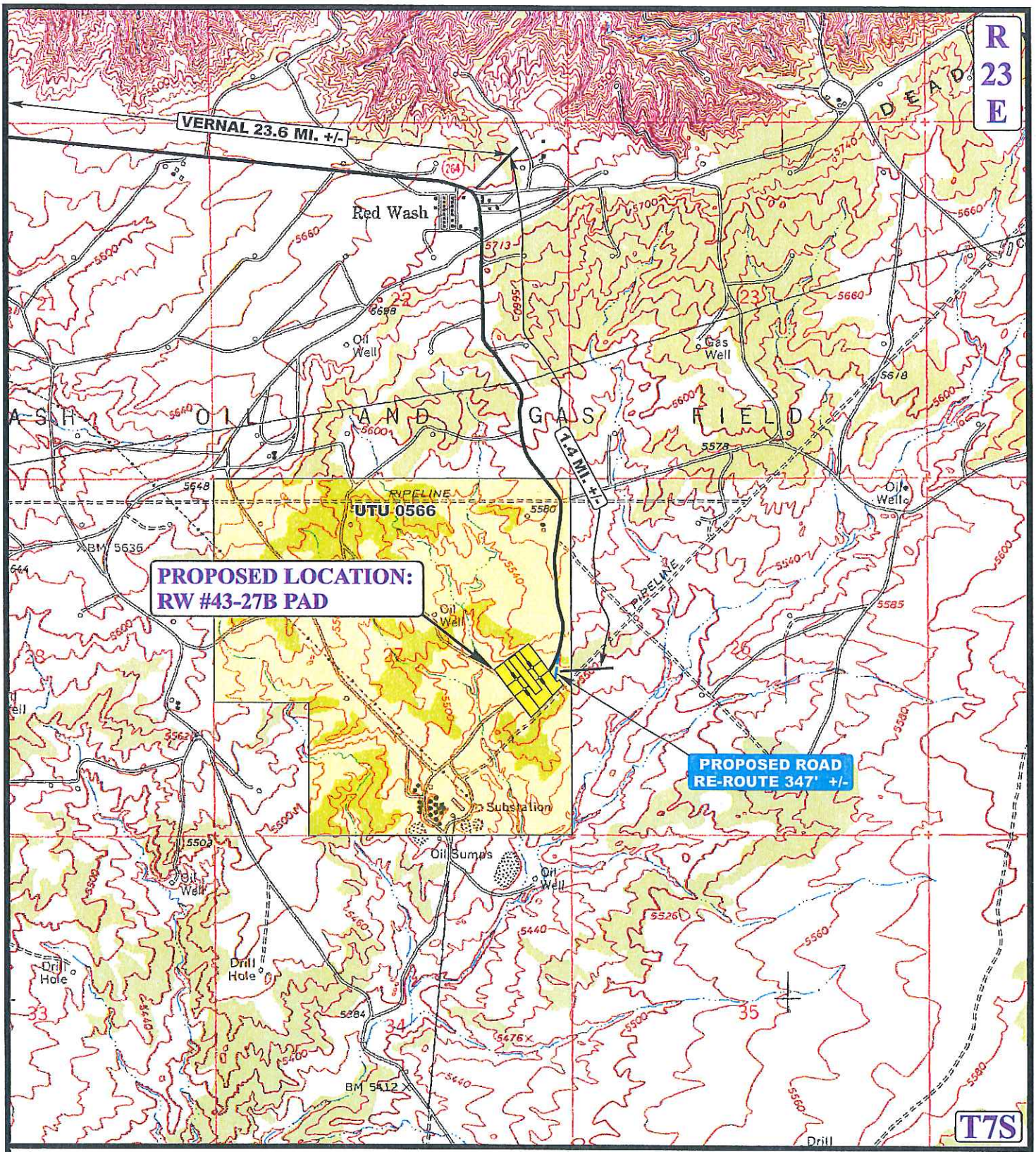
QEP ENERGY COMPANY

RW #43-27B PAD
SECTION 27, T7S, R23E, S.L.B.&M.
E 1/2

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

ACCESS ROAD MAP	10 MONTH	03 DAY	11 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: A.W.	REVISED: 00-00-00		

API Well Number: 43047526280000



LEGEND:

EXISTING ROAD

PROPOSED ROAD RE-ROUTE

N

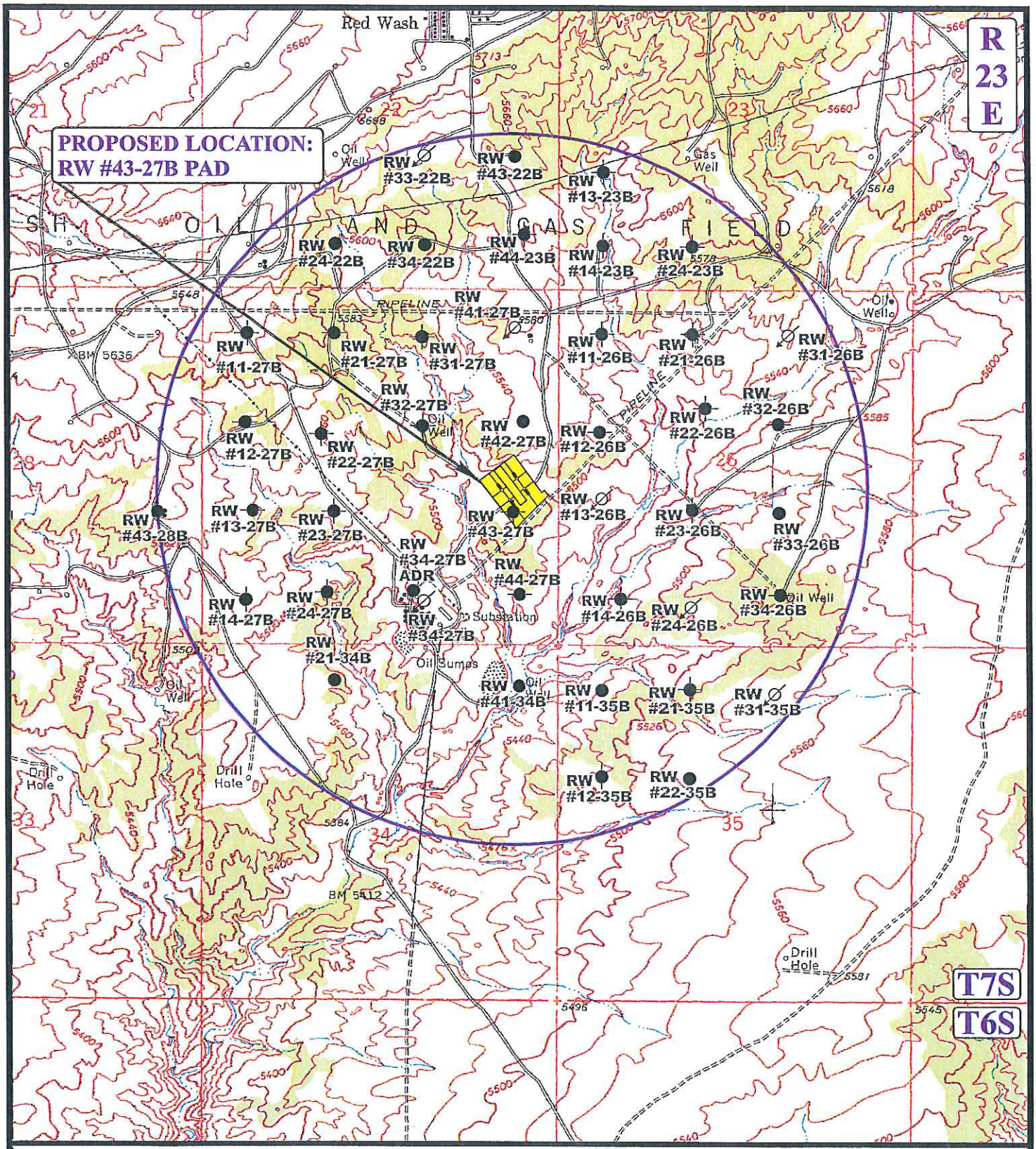
QEP ENERGY COMPANY

RW #43-27B PAD
SECTION 27, T7S, R23E, S.L.B.&M.
E 1/2

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

ACCESS ROAD MAP	10 MONTH	03 DAY	11 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: A.W.	REVISED: 10-12-11		

API Well Number: 43047526280000



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

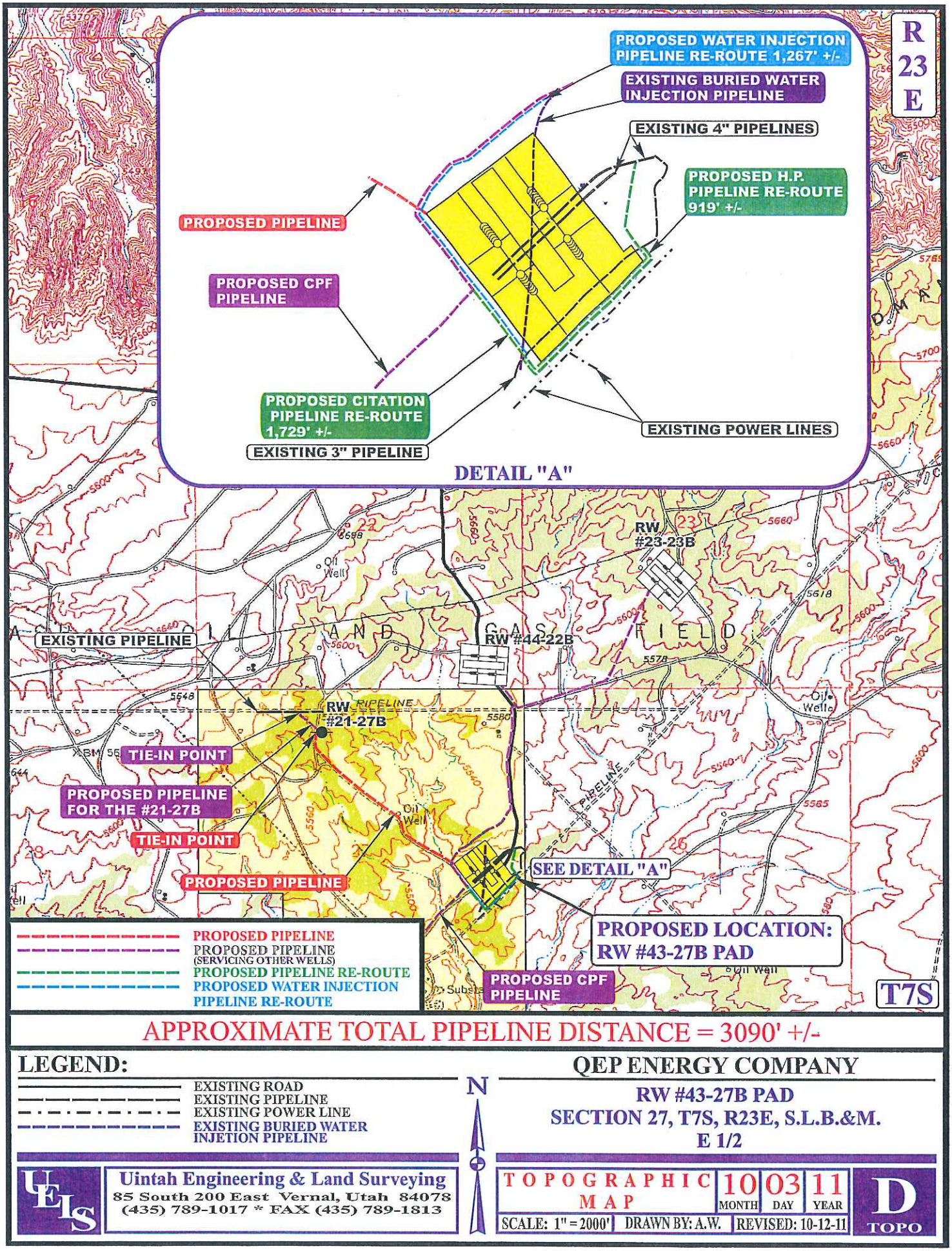
QEP ENERGY COMPANY

RW #43-27B PAD
SECTION 27, T7S, R23E, S.L.B.&M.
E 1/2

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	10 MONTH	03 DAY	11 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: A.W.	REVISED: 00-00-00		

API Well Number: 43047526280000



APPROXIMATE TOTAL PIPELINE DISTANCE = 3090' +/-

LEGEND:

- EXISTING ROAD
- EXISTING PIPELINE
- EXISTING POWER LINE
- EXISTING BURIED WATER INJETION PIPELINE

N

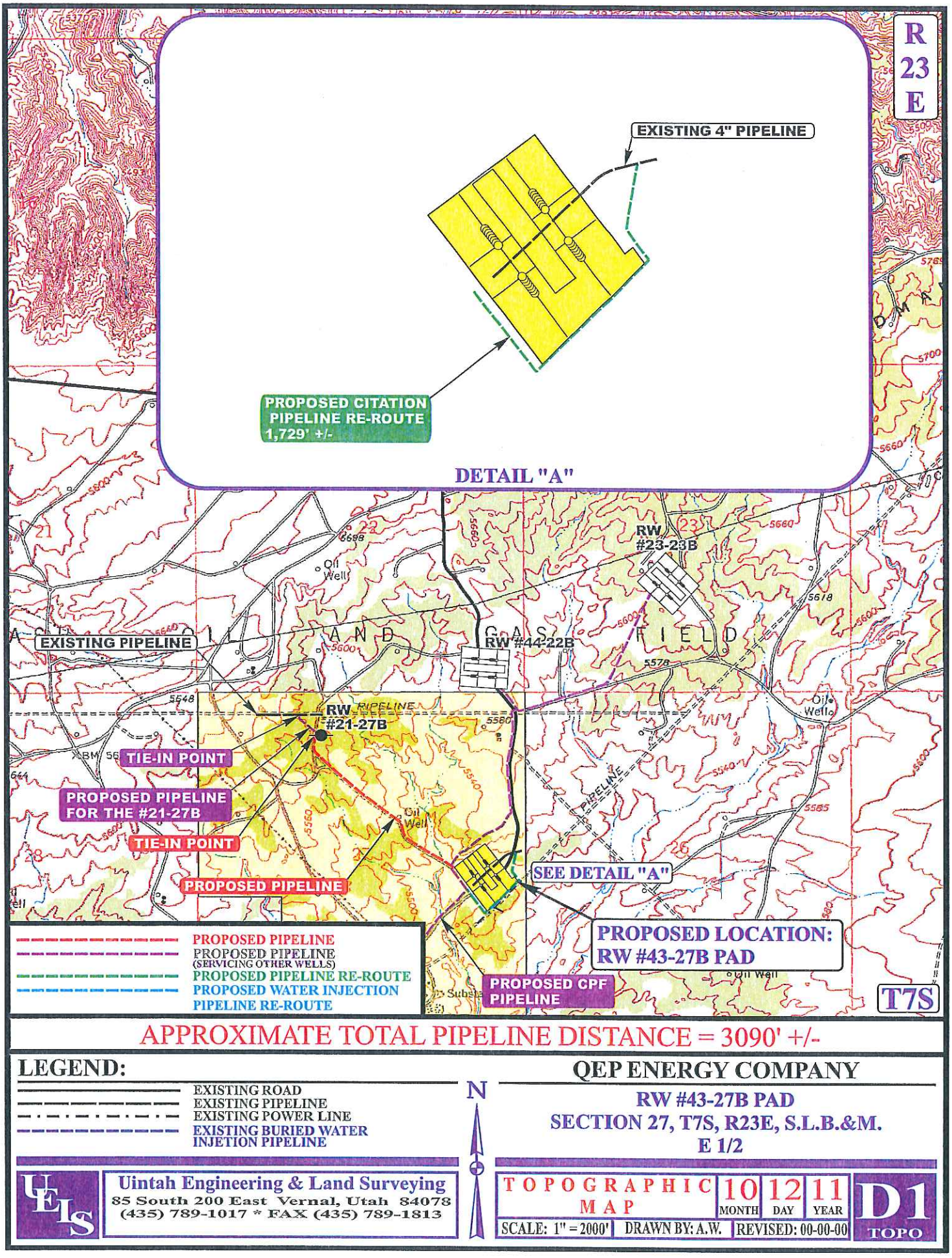
QEP ENERGY COMPANY

RW #43-27B PAD
SECTION 27, T7S, R23E, S.L.B.&M.
E 1/2

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	10 MONTH	03 DAY	11 YEAR	D TOPO
SCALE: 1" = 2000'	DRAWN BY: A.W.	REVISED: 10-12-11		

API Well Number: 43047526280000



APPROXIMATE TOTAL PIPELINE DISTANCE = 3090' +/-

LEGEND:

EXISTING ROAD
EXISTING PIPELINE
EXISTING POWER LINE
EXISTING BURIED WATER INJETION PIPELINE

N

QEP ENERGY COMPANY

RW #43-27B PAD
SECTION 27, T7S, R23E, S.L.B.&M.
E 1/2

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	10 MONTH	12 DAY	11 YEAR	D1 TOPO
SCALE: 1" = 2000'	DRAWN BY: A.W.	REVISED: 00-00-00		

API Well Number: 43047526280000

QEP ENERGY COMPANY

REFERENCE MAP: AREA OF VEGETATION

RW #43-27B PAD

LOCATED IN UINTAH COUNTY, UTAH
SECTION 27, T7S, R23E, S.L.B.&M.

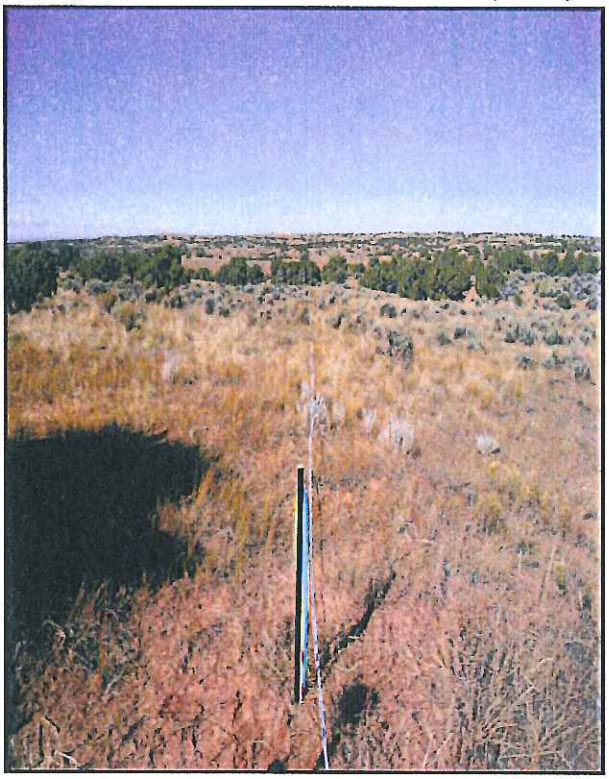
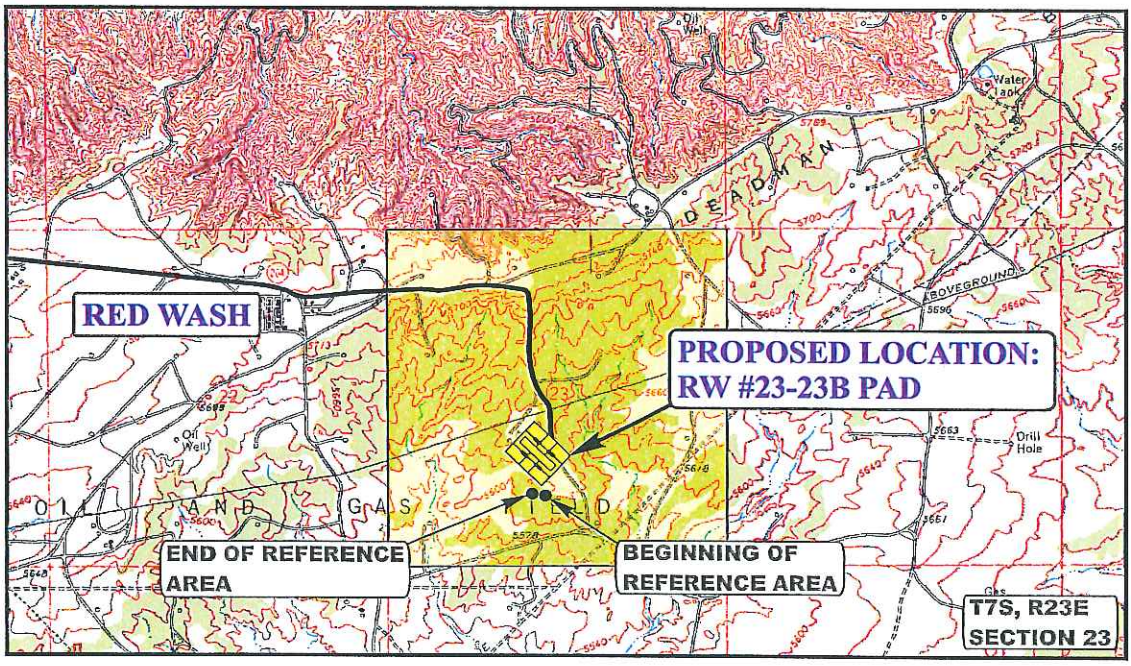


PHOTO: VIEW FROM BEGINNING OF REFERENCE AREA

NOTE:

BEGINNING OF REFERENCE AREA
(NAD 83)
UTM NORTHING: 14600794.576
UTM EASTING: 2116584.397
LATITUDE: 40.190825
LONGITUDE: -109.294997

END OF REFERENCE AREA
(NAD 83)
UTM NORTHING: 14600824.204
UTM EASTING: 2116388.253
LATITUDE: 40.190917
LONGITUDE: -109.295697



- Since 1964 -

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

SCALE: 1" = 3000'	10 MONTH	12 DAY	11 YEAR	REF.
TAKEN BY: A.F.	DRAWN BY: A.W.	REVISED: 00-00-00		

QEP Energy Company

QEP ENERGY (UT)

Red Wash
43-27B Pad
RW 7B4-27B

Original Hole

Plan: Plan ver.0 - Permit

Standard Planning Report

16 January, 2012

QEP Energy Company

QEP Energy Company

QEP Resources, Inc.
Planning Report

QEP Energy Company

Database:	EDMDB_QEP	**Local Co-ordinate Reference:**	Well RW 7B4-27B
Company:	QEP ENERGY (UT)	**TVD Reference:**	RKB @ 5517.70usft (EST. RKB)
Project:	Red Wash	**MD Reference:**	RKB @ 5517.70usft (EST. RKB)
Site:	43-27B Pad	**North Reference:**	True
Well:	RW 7B4-27B	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Original Hole		
Design:	Plan ver.0 - Permit		

Project Red Wash

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	Utah Central Zone		Using geodetic scale factor

Site 43-27B Pad

Site Position:		**Northing:**	7,241,917.541 usft	**Latitude:**	40.180303
From:	Map	**Easting:**	2,253,322.286 usft	**Longitude:**	-109.306143
Position Uncertainty:	0.00 usft	**Slot Radius:**	13-3/16 "	**Grid Convergence:**	1.41 °

Well RW 7B4-27B

Well Position	**+N/-S**	-33.40 usft	**Northing:**	7,241,884.783 usft	**Latitude:**	40.180211
	+E/-W	25.45 usft	**Easting:**	2,253,348.550 usft	**Longitude:**	-109.306052
Position Uncertainty		0.00 usft	**Wellhead Elevation:**	5,501.70 usft	**Ground Level:**	5,501.70 usft

Wellbore Original Hole

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	1/12/2012	10.94	66.04	52,392

Design Plan ver.0 - Permit

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	299.30

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,642.32	19.85	299.30	1,622.60	83.27	-148.39	2.00	2.00	0.00	299.30	
6,086.91	19.85	299.30	5,803.20	821.70	-1,464.30	0.00	0.00	0.00	0.00	
7,410.01	0.00	0.00	7,100.00	932.73	-1,662.14	1.50	-1.50	0.00	180.00	
11,328.01	0.00	0.00	11,018.00	932.73	-1,662.14	0.00	0.00	0.00	0.00	

QEP Energy Company

QEP Resources, Inc.
Planning Report

QEP Energy Company

Database:	EDMDB_QEP	**Local Co-ordinate Reference:**	Well RW 7B4-27B
Company:	QEP ENERGY (UT)	**TVD Reference:**	RKB @ 5517.70usft (EST. RKB)
Project:	Red Wash	**MD Reference:**	RKB @ 5517.70usft (EST. RKB)
Site:	43-27B Pad	**North Reference:**	True
Well:	RW 7B4-27B	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	Original Hole		
Design:	Plan ver.0 - Permit		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0.00	0.00	0.00
1,642.32	19.85	299.30	1,622.60	83.27	-148.39	170.15	2.00	2.00	0.00
6,086.91	19.85	299.30	5,803.20	821.70	-1,464.30	1,679.09	0.00	0.00	0.00
7,410.01	0.00	0.00	7,100.00	932.73	-1,662.14	1,905.97	1.50	-1.50	0.00
11,328.01	0.00	0.00	11,018.00	932.73	-1,662.14	1,905.97	0.00	0.00	0.00

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
RW 7B4-27B Target	0.00	0.00	8,380.00	932.73	-1,662.14	7,242,776.390	2,251,664.170	40.182771	-109.312001
- plan misses target center by 1280.00usft at 7410.01usft MD (7100.00 TVD, 932.73 N, -1662.14 E)									
- Circle (radius 150.00)									

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (")	Hole Diameter (")
3,721.20	3,578.00	8 5/8"	8-5/8	12-1/4

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
2,854.74	2,763.00	Green River		0.00	
3,668.04	3,528.00	Mahogany		0.00	
5,252.13	5,018.00	Est. Moderately Saline Water Base		0.00	
6,375.40	6,078.00	Wasatch		0.00	
8,698.01	8,388.00	Mesaverde		0.00	
11,028.01	10,718.00	Sego		0.00	

QEP Energy Company

Company Name: QEP ENERGY (UT)

Azimuths to True North
Magnetic North: 10.95°

Magnetic Field
Strength: 52391.6nT
Dip Angle: 66.04°
Date: 1/19/2012
Model: IGRF2010

Project: Red Wash
Site: 43-27B Pad
Well: RW 7B4-27B
Wellbore: Original Hole
Design: Plan ver.0 - Permit

WELL DETAILS: RW 7B4-27B

Ground Level: 5501.70

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	7241884.783	2253348.550	40.180211	-109.306052	

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well RW 7B4-27B, True North
Vertical (TVD) Reference: RKB @ 5517.70usft (EST. RKB)
Section (VS) Reference: Slot - (0.00N, 0.00E)
Measured Depth Reference: RKB @ 5517.70usft (EST. RKB)
Calculation Method: Minimum Curvature

PROJECT DETAILS: Red Wash

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: Utah Central Zone

System Datum: Mean Sea Level

DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Shape
RW 7B4-27B Target	8380.00	932.73	-1662.14	7242776.390	2251664.170	Circle (Radius: 150.00)

SECTION DETAILS

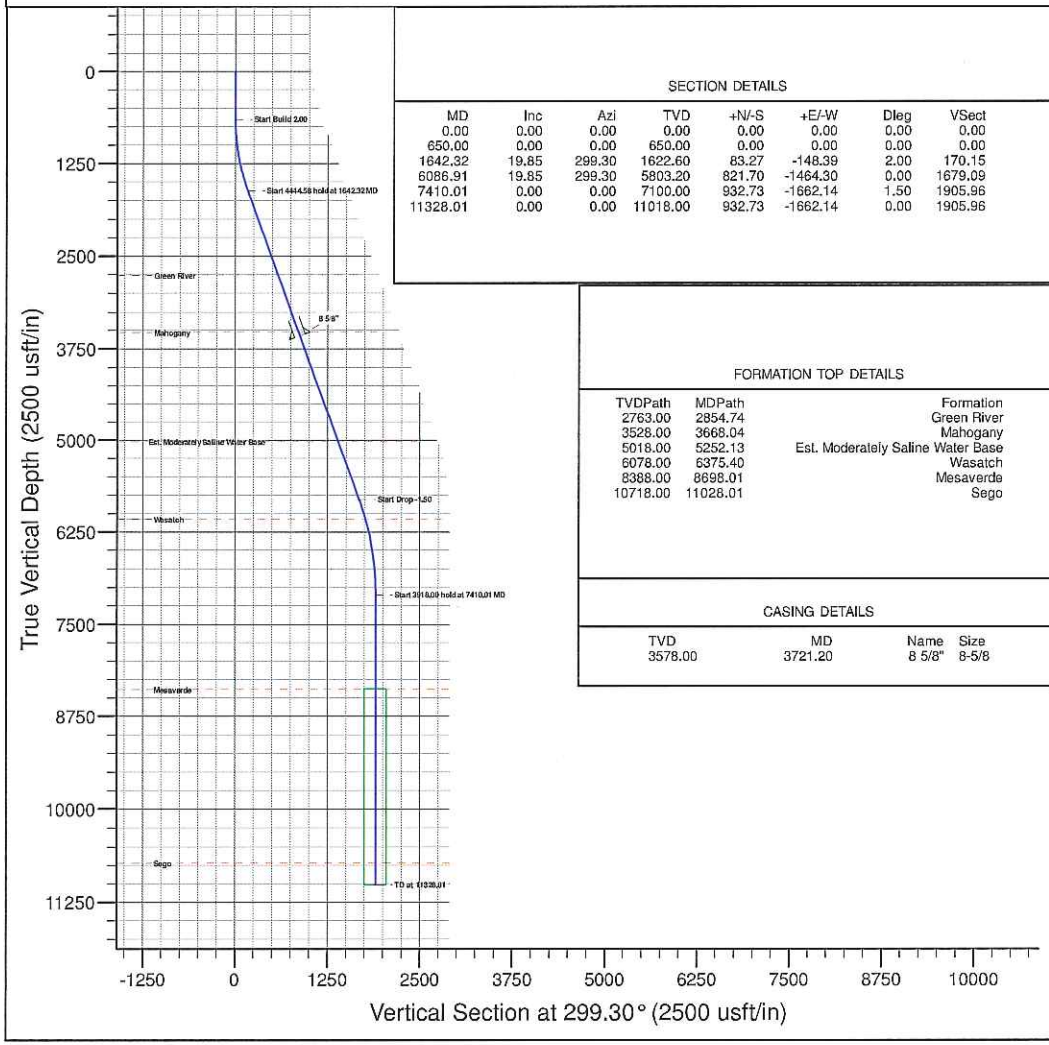
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	VSect
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
650.00	0.00	0.00	650.00	0.00	0.00	0.00	0.00
1642.32	19.85	299.30	1622.60	83.27	-148.39	2.00	170.15
6086.91	19.85	299.30	5803.20	821.70	-1464.30	0.00	1679.09
7410.01	0.00	0.00	7100.00	932.73	-1662.14	1.50	1905.96
11328.01	0.00	0.00	11018.00	932.73	-1662.14	0.00	1905.96

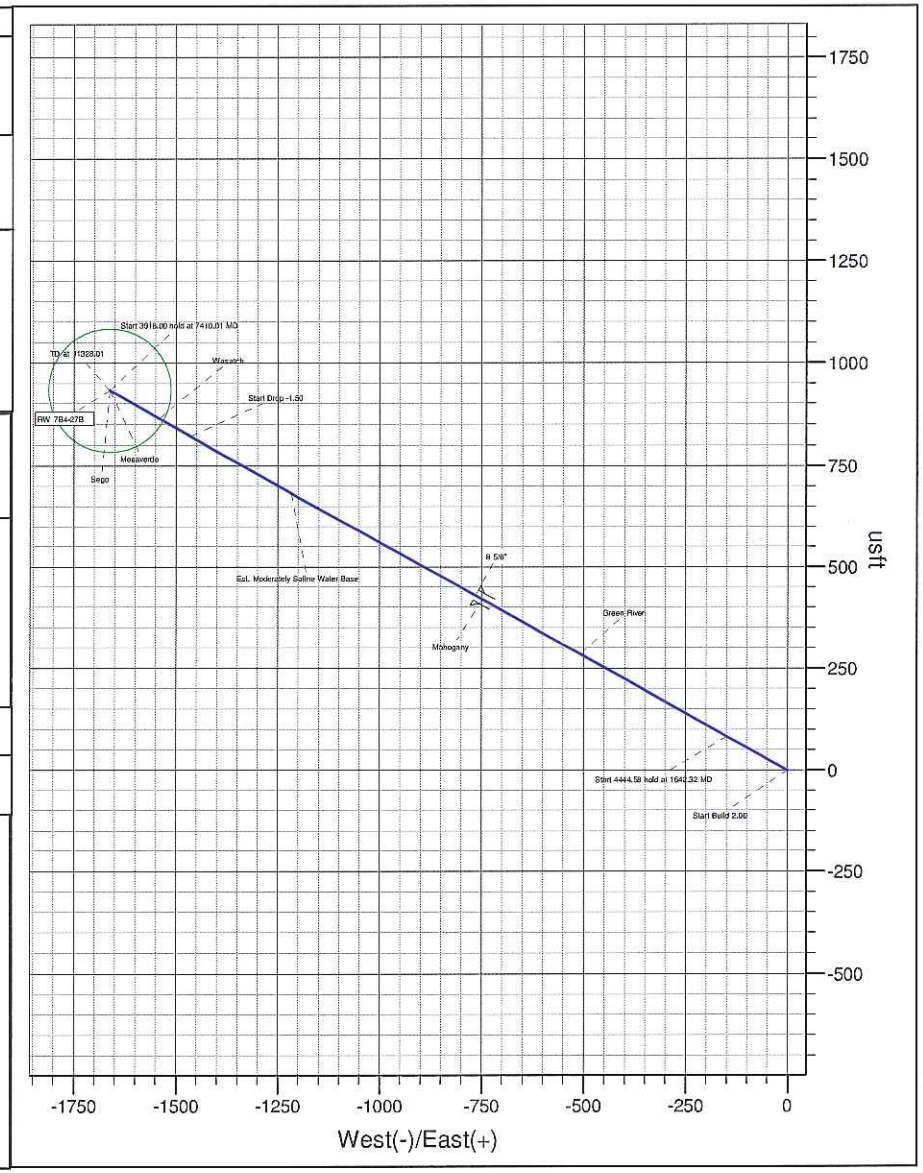
FORMATION TOP DETAILS

TVDPath	MDPath	Formation
2763.00	2854.74	Green River
3528.00	3668.04	Mahogany
5018.00	5252.13	Est. Moderately Saline Water Base
6078.00	6375.40	Wasatch
8388.00	8698.01	Mesaverde
10718.00	11028.01	Sego

CASING DETAILS

TVD	MD	Name	Size
3578.00	3721.20	8 5/8"	8-5/8





API well Number: 43047526280000

Additional Operator Remarks

QEP Energy Company proposes expand the existing RW 43-27B well. The RW 43-27B pad expansion will consist of 30 wells to be directionally drilled to the Mesa Verde Formation.

If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements.

Please see Onshore Order No. 1.

Please be advised that QEP Energy Company agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is QEP Energy Company via surety as consent as provided for the 43 CFR 3104.2.

QEP ENERGY COMPANY
RED WASH 43-27B PAD

ONSHORE ORDER NO. 1
MULTI – POINT SURFACE USE & OPERATIONS PLAN

RW 2C1-27B			
Surface:	2550' FSL, 665' FEL	SEC.27	NESE, T7S, R23E
BHL:	837' FNL, 2299' FEL	SEC.27	NWNE, T7S, R23E
RW 2C4-27B			
Surface:	2538' FSL, 656' FEL	SEC.27	NESE, T7S, R23E
BHL:	1166' FNL, 2300' FEL	SEC.27	NWNE, T7S, R23E
RW 5C4-26B			
Surface:	2324' FSL, 493' FEL	SEC.27	NESE, T7S, R23E
BHL:	2484' FNL, 338' FWL	SEC.26	SWNW, T7S, R23E
RW 7B1-27B			
Surface:	2527' FSL, 648' FEL	SEC.27	NESE, T7S, R23E
BHL:	1500' FNL, 2300' FEL	SEC.27	SWNE, T7S, R23E
RW 7B4-27B			
Surface:	2516' FSL, 639' FEL	SEC.27	NESE, T7S, R23E
BHL:	1829' FNL, 2302' FEL	SEC.27	SWNE, T7S, R23E
RW 7C1-27B			
Surface:	2505' FSL, 631' FEL	SEC.27	NESE, T7S, R23E
BHL:	2159' FNL, 2302' FEL	SEC.27	SWNE, T7S, R23E
RW 7C4-27B			
Surface:	2494' FSL, 622' FEL	SEC.27	NESE, T7S, R23E
BHL:	2488' FNL, 2302' FEL	SEC.27	SWNE, T7S, R23E
RW 8C1-27B			
Surface:	2132' FSL, 699' FEL	SEC.27	NESE, T7S, R23E
BHL:	2160' FNL, 981' FEL	SEC.27	SENE, T7S, R23E
RW 8C4-27B			
Surface:	2144' FSL, 708' FEL	SEC.27	NESE, T7S, R23E
BHL:	2492' FNL, 982' FEL	SEC.27	SENE, T7S, R23E
RW 9B1-27B			
Surface:	2155' FSL, 716' FEL	SEC.27	NESE, T7S, R23E
BHL:	2453' FSL, 982' FEL	SEC.27	NESE, T7S, R23E
RW 9B4-27B			
Surface:	2121' FSL, 691' FEL	SEC.27	NESE, T7S, R23E
BHL:	2121' FSL, 982' FEL	SEC.27	NESE, T7S, R23E

RW 9C1-27B

Surface:	2110' FSL, 682' FEL	SEC.27	NESE, T7S, R23E
BHL:	1792' FSL, 982' FEL	SEC.27	NESE, T7S, R23E

RW 9C4-27B

Surface:	2099' FSL, 674' FEL	SEC.27	NESE, T7S, R23E
BHL:	1462' FSL, 984' FEL	SEC.27	NESE, T7S, R23E

RW 10B1-27B

Surface:	2380' FSL, 888' FEL	SEC. 27	NESE, T7S, R23E
BHL:	2459' FSL, 2304' FEL	SEC.27	NWSE, T7S, R23E

RW 10B4-27B

Surface:	2369' FSL, 879' FEL	SEC.27	NESE, T7S, R23E
BHL:	2125' FSL, 2308' FEL	SEC.27	NWSE, T7S, R23E

RW 10C1-27B

Surface:	2358' FSL, 871' FEL	SEC.27	NESE, T7S, R23E
BHL:	1796' FSL', 2305' FEL	SEC.27	NWSE, T7S, R23E

RW 10C4-27B

Surface:	2346' FSL, 862' FEL	SEC.27	NESE, T7S, R23E
BHL:	1467' FSL, 2308' FEL	SEC.27	NWSE, T7S, R23E

RW 12B1-26B

Surface:	2313' FSL, 485' FEL	SEC.27	NESE, T7S, R23E
BHL:	2465' FSL, 339' FWL	SEC.26	NWSW, T7S, R23E

RW 12B4-26B

Surface:	2302' FSL, 476' FEL	SEC.27	NESE, T7S, R23E
BHL:	2134' FSL, 339' FWL	SEC.26	NWSW, T7S, R23E

RW 12C1-26B

Surface:	2291' FSL, 468' FEL	SEC.27	NESE, T7S, R23E
BHL:	1805' FSL, 339' FWL	SEC.26	NWSW, T7S, R23E

RW 12C4-26B

Surface:	2280' FSL, 459' FEL	SEC.27	NESE, T7S, R23E
BHL:	1474' FSL, 337' FWL	SEC.26	NWSW, T7S, R23E

RW 13B1-26B

Surface:	2269' FSL, 451' FEL	SEC.27	NESE, T7S, R23E
BHL:	1145' FSL, 338' FWL	SEC.26	SWSW, T7S, R23E

RW 13B4-26B

Surface:	2258' FSL, 442' FEL	SEC.27	NESE, T7S, R23E
BHL:	814' FSL, 339' FWL	SEC.26	SWSW, T7S, R23E

RW 13C4-26B

Surface:	2247' FSL, 434' FEL	SEC.27	NESE, T7S, R23E
BHL:	133' FSL, 338' FWL	SEC.26	SWSW, T7S, R23E

RW 15B1-27B			
Surface:	2335' FSL, 854' FEL	SEC.27	NESE, T7S, R23E
BHL:	1135' FSL, 2307' FEL	SEC.27	SWSE, T7S, R23E
RW 15B4-27B			
Surface:	2324' FSL, 845' FEL	SEC.27	NESE, T7S, R23E
BHL:	803' FSL, 2309' FEL	SEC.27	SWSE, T7S, R23E
RW 15C1-27B			
Surface:	2313' FSL, 837' FEL	SEC.27	NESE, T7S, R23E
BHL:	474' FSL, 2309' FEL	SEC.27	SWSE, T7S, R23E
RW 15C4-27B			
Surface:	2302' FSL, 828' FEL	SEC.27	NESE, T7S, R23E
BHL:	134' FSL, 2309' FEL	SEC.27	SWSE, T7S, R23E
RW 16B1-27B			
Surface:	2088' FSL, 665' FEL	SEC.27	NESE, T7S, R23E
BHL:	1128' FSL, 985' FEL	SEC.27	SESE, T7S, R23E
RW 16C1-27B			
Surface:	2077' FSL, 657' FEL	SEC.27	NESE, T7S, R23E
BHL:	470' FSL, 983' FEL	SEC.27	SESE, T7S, R23E

This surface use and operations plan provides site specific information for the above referenced wells.

An onsite inspection was conducted for the RW 43-27B Pad on October 11, 2011. Weather conditions were sunny at the time of the onsite. In attendance at the inspection were the following individuals:

Kevin Sadlier	Bureau of Land Management
Holly Villa	Bureau of Land Management
Jan Nelson	QEP Energy Company
Stephanie Tomkinson	QEP Energy Company
Ryan Angus	QEP Energy Company
Valyn Davis	QEP Energy Company
Bob Haygood	QEP Energy Company
Andy Floyd	Uintah Engineering & Land Surveying

The proposed project consists of a 30 well pad with 15.604 acres of total disturbance. This equates to approximately 0.520 acres of disturbance per well.

1. Existing Roads:

The proposed well site is approximately 25 miles South of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

All existing roads will be maintained and kept in good repair during all phases of operation.

2. Planned Access Roads:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

Refer to Topo Map B for the location of the proposed access road.

No new access road is proposed. The access to be used is the existing road that crosses through the proposed pad. The road will be re-routed on the East side of the pad to ensure safe operations. The road re-route will be 347' in length, containing approximately .238 acres. Graveling or capping the roadbed will be performed as necessary to provide a well constructed safe road. Should conditions warrant, rock, gravel or culverts will be installed as needed.

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

Please refer to Figure 1 for production facility layout and location.

The following guidelines will apply if the well is productive.

A containment dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of steel and road base, hold 110% of the capacity of the largest tank and be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The specific APD will address additional capacity if such is needed due to environmental concerns. The use of topsoil for the construction of dikes will not be allowed.

All loading lines will be placed inside the berm surrounding the tank batteries.

All permanent (on site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a color approved by the BLM.

It was determined on the onsite by the BLM VFO AO that the facilities will be painted Covert Green.

The pipelines will be as follows:

The existing buried water injection pipeline that crosses the proposed location will be re-routed to the North West side of the pad for safety. The proposed buried

pipeline re-route is 1,267' in length. The pipelines will be buried 4 to 6 feet deep and the ditch will be approximately 4 feet wide. This line will be buried in the same trench as the gathering and water distribution lines for the proposed Central Processing Facility B. Disturbance will be calculated with the Central Processing Facility sundry. There will be 378' that will be in a new trench. This section will also be buried 4 to 6 feet deep and be 4 feet in width. Please refer to Topo Map D for the location of the existing water injection pipeline and the re-route.

The existing 4" buried steel pipeline that crosses the proposed location will be re-routed to the South East side of the pad for safety. The proposed pipeline re-route is 1,729' in length, containing approximately 1.19 acres. The pipeline will be buried 4 to 6 feet deep and the ditch will be approximately 4 feet wide. Please refer to Topo Map D for the location of the existing pipeline and the re-route.

The existing 3" surface pipeline that crosses the proposed location will be re-routed to the South East side of the pad for safety. The proposed surface pipeline re-route is 919' in length, containing approximately .632 acres. Please refer to Topo Map D for the location of the existing pipeline and the re-route.

An existing surface pipeline owned by Citation Oil & Gas Corporation crossing the proposed location will be re-routed to the South East side of the pad. The right-of way number for this pipe line is UTU-0073005. The existing pipeline consists of a 4" heat traced and insulated line. The proposed surface re- route will be 1,729' in length, containing approximately 1.19 acres. Please refer to Topo Map D1 for the location of the existing pipeline and the re-route.

All pipelines to the South East will follow the same route to reduce surface disturbance.

If equipment removal is necessary for construction, equipment will be removed before any construction begins.

Surface Pipelines

The proposed surface pipeline will be constructed utilizing existing disturbed areas to minimize surface disturbance. No construction activities will be allowed outside of the proposed pipeline.

Prior to construction, the Permittee will develop a plan of installation to minimize surface disturbance. Pipe will be strung along the pipeline route with either a flatbed trailer and rubber tired backhoe or a tracked typed side boom. Where surface conditions do not allow the pipe to be strung using conventional methods, the Permittee will utilize pull sections to run the fabricated pipe through the area from central staging areas along the pipeline route.

Upon completion of stringing activities the Permittee will fabricate the pipeline on wooden skids adjacent to the centerline of the pipeline route using truck mounted welding machines. All fabricated piping will be lowered off of the wooden skids and placed along the centerline. Upon completion of all activities, the wooden skids will be removed from the pipeline route using a flatbed truck or flatbed truck and trailer.

When the surface terrain prohibits the Permittee from safely installing the pipeline along the pipeline route, grading of the route will be required. Prior to installing the pipeline in these areas a plan will be developed to safely install the pipeline while minimizing grading activities and surface disturbances. Additionally, erosion control Best Management Practices will be installed as needed prior to the start of any grading activities. Surface grading will be limited to what is needed to safely install the pipeline. Track type bulldozers and track type backhoes will be utilized for grading activities.

Upon completion of the pipeline installation, the pipeline route will be restored to the pre-disturbance surface contours.

The proposed pipeline will be a surface 10" or smaller, 3,090' in length, containing 2.13 acres.

Buried Pipelines

If necessary to safely install the pipeline, the vegetation will be scalped with a motor grader. If needed, a 14 foot path will be windrowed to one side of the proposed pipeline route.

A wheel trencher or trackhoe will be used to remove approximately 6-8 inches of topsoil. The ditch will be dug to the required depth using the wheel trencher and the topsoil will be stockpiled to one side.

Install the pipelines and backfill the trench.

Place the stockpiled topsoil in the trench.

Place the scalped vegetation back on the proposed pipeline route using the motor grader, and reseed when appropriate.

The following is a list of construction equipment proposed to install the pipeline:

Welding Trucks
Tractor Trailer
Fiberspar pipe spooling equipment
Two-Ton Trucks
Pickup Trucks
Seed Driller and Tractor
Backhoes or Trackhoes
Side Boom
Dozer Caterpillar
Motor Grader

Road Crossings

Fusion Bond or concrete coated pipe will be used for all road crossings to alleviate future corrosion.

All pipe and fittings used for road crossings will be prefabricated within the proposed pipeline route to minimize the duration of open pipe trench across the roadway. Pipe used for road crossings will be isolated on each end with a flange set and insulation kit and cathodically protected with a magnesium type anode.

Adequately sized equipment will be used for minor and major road crossings. Depth of cover for minor roads will be >4' and the depth of cover for major roads will be >6'.

Prior to lowering the pipe in the trench, the Permittee will "Jeep" the pipe to locate and repair any Holidays in the pipe coating. Upon lowering the pipe in the trench, 6" of bedding and a minimum of 6" of shading will be installed to protect the pipe using either native soils <1" in diameter or imported sand. Pipe trenches that extend across gravel roads will be backfilled with native soils to within 8" of the driving surface and capped with 3/4" road base. Pipe trenches that extend across asphalt paved roads will be backfilled to 4" of the driving surface with 3/4" road base and capped asphalt material.

5. Location and Type of Water Supply:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

Water for drilling purposes would be obtained from Wonsits Valley Water Right # 49- 251 (which was filed on May 7, 1964) or Red Wash Water Right # 49-2153 (which was filed on March 25, 1960). It was determined by the Fish and Wildlife Service that any water right number filed before 1989 is not depleting to the Upper Colorado River System.

6. Source of Construction Materials:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

The use of materials under BLM jurisdiction will conform with 43 CFR 3610.2-3.

7. Methods of Handling Waste Materials:

Please refer to QEP Energy Company Greater Deadman Bench EIS UTU-080-200-0369V Record of Decision dated March 31, 2008.

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids including salts and chemicals will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility within 6 months after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Unless specified in the site specific APD, the reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists

or surface runoff will or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

It will be determined at the on-site inspection if a pit liner is necessary, the reserve pit will be lined with a synthetic reinforced 30 mil liner with sufficient bedding to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place.

No trash or scrap will be disposed of in the pit.

Reserve pit leaks are considered an undesirable event and will be orally reported to the AO.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days.

After the 90 day period, the produced water will be contained in tanks on location and then hauled by truck to one of the following pre-approved disposal sites:

Red Wash Disposal well located in the SESE, Section 28, T7S, R23E,
West End Disposal located in the NESE, Section 28, T7S, R22E,
NBE 12 SWD-10-9-23 located in the NWSW, Section 10, 9S, 23E.

Produced water, oil, and other byproducts will not be applied to roads or well pads for the control of dust or weeds. The dumping of produced fluids on roads, well sites, or other areas will not be allowed.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site. The spills will be reported to the AO and other authorities as appropriate.

A chemical porta-toilet will be furnished with the drilling rig. The chemical porta-toilet wastes will be hauled to Ashley Valley Sewer and Water System for disposal.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. Trash will not be burned on location. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig. All trash and waste material will be hauled to the Uintah County Landfill.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completing of wells. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completing of wells within these areas. Specific APD's shall address any modifications from this policy.

8. Ancillary Facilities:

None anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram rig orientation, parking areas, and access roads, as well as the location of the following:

The reserve pit.

The stockpiled topsoil will not be used for facility berms. All brush removed from the well pad during construction will be stockpiled with topsoil.

The flare pit or flare box will be located downwind from the prevailing wind direction.

Any drainage that crosses the well location will be diverted around the location by using ditches, water diversion drains or berms. If deemed necessary at the on-site, erosion drains may be installed to contain sediments that could be produced from access roads and well locations.

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

10. Fencing Requirements:

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched using a stretching device before it is attached to corner posts.

The reserve pit will be fenced on three (3) sides during drilling operations. The fourth side will be put in place when the rig moves off location. The pit will be

fenced and maintained until it is backfilled. If drilling operations does not commence within 3 days, the fourth side of the fence will be installed

11. Plans for Reclamation of the Surface:

Please refer to QEP Energy Company Uinta Basin Division Reclamation Plan.

Site Specific Procedures:

Site Specific Reclamation Summary:

Reclamation will follow QEP Energy Company, Uinta Basin Division's Reclamation Plan, September 2009 (QEP's Reclamation Plan) and the BLM Green River District Reclamation Guidelines.

After the pad is built, the topsoil piles will be seeded, signed, and erosion control devices and techniques will be implemented.

All trash and debris will be removed from the disturbed area.

After the wells are on production, the pad will be downsized to a smaller production pad.

The road base and gravel on the portion of the pad that will be downsized, will be picked up and used on the production pad and access road.

The cuttings pit is located in the center of the production pad; it will be backfilled and capped with road base and gravel.

Interim reclamation will be conducted on the portion of the pad that is downsized.

The interim reclamation area will be recontoured to blend with the surrounding landscape. All topsoil will be evenly distributed.

Water courses and drainages will be established.

Erosion control devices and techniques will be installed where needed.

Seeding will be done in the fall, prior to ground freeze up.

The seed mix will be determined prior to seeding.

Monitoring and reporting will be conducted as stated in QEP's Reclamation Plan. A reference site and weed data sheet have been established and are included in this application.
Weed control will be conducted as stated in QEP's Reclamation Plan.

It was determined and agreed upon that there is 6" inches of top soil.

12. Surface Ownership:

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
(435) 781-4400

13. Other Information:

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted on December 2, 2011, **State of Utah Antiquities Project U-11-MQ-1040b** by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

A Class III paleontological survey was conducted by Intermountain Paleo Consulting. A copy of this report was submitted on October 14, 2011 **IPC # 11-155** by Stephen D. Sandau. The inspection resulted in the location of no fossil resources. However, if vertebrate fossil(s) are found during construction a paleontologist should be immediately notified. QEP Energy Company will provide Paleo monitor if needed.

Per the onsite on October 11, 2011, the following items were requested/ discussed.

None

API Well Number: 43047526280000

QEP Energy Company

11002 East 17500 South
Vernal, UT 84078
Telephone 435-781-4331
Fax 435-781-4395

April 30, 2012

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

RE: Directional Drilling R649-3-11
Red Wash Unit
RW 7B4-27B
2516' FSL 639' FEL, NESE, Section 27, T7S, R23E (Surface)
1829' FNL 2302' FEL, SWNE, Section 27, T7S, R23E (Bottom Hole)
Uintah County, Utah

Dear Ms. Mason:

Pursuant to the filing of QEP Energy Company Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649 -3-11 pertaining to the location and drilling of a directional well.

QEP Energy Company is permitting this well at this location for geological reasons. Locating the well at the surface location and directionally drilling from this location, QEP Energy Company will be able to minimize surface disturbance.

Furthermore, QEP Energy Company certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information QEP Energy Company requests the permit be granted pursuant to Rule R649-3-11.

Sincerely,

QEP Energy Company

Jan Nelson
Permit Agent

RW 7B4-27B

Lessee's or Operator's Representative & Certification:

Valyn Davis
Regulatory Affairs Analyst
QEP Energy Company
11002 East 17500 South
Vernal, UT 84078
(435) 781-4369

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

QEP Energy Company is considered to be the operator of the subject well.
QEP Energy Company agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104.2 for lease activities is being provided by Bond No. ESB000024

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operations; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Valyn Davis
Valyn Davis

4/25/2012
Date

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

May 10, 2012

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2012 Plan of Development Red Wash Unit, Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2012 within the Red Wash Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ MESA VERDE)		
RED WASH 43-27B PAD		
43-047-52548	RW 2C1-27B	Sec 27 T07S R23E 2550 FSL 0665 FEL BHL Sec 27 T07S R23E 0837 FNL 2299 FEL
43-047-52591	RW 7C1-27B	Sec 27 T07S R23E 2505 FSL 0631 FEL BHL Sec 27 T07S R23E 2159 FNL 2302 FEL
43-047-52601	RW 7C4-27B	Sec 27 T07S R23E 2494 FSL 0622 FEL BHL Sec 27 T07S R23E 2488 FNL 2302 FEL
43-047-52603	RW 8C1-27B	Sec 27 T07S R23E 2132 FSL 0699 FEL BHL Sec 27 T07S R23E 2160 FNL 0981 FEL
43-047-52604	RW 8C4-27B	Sec 27 T07S R23E 2144 FSL 0708 FEL BHL Sec 27 T07S R23E 2492 FNL 0982 FEL
43-047-52605	RW 15B1-27B	Sec 27 T07S R23E 2335 FSL 0854 FEL BHL Sec 27 T07S R23E 1135 FSL 2307 FEL
43-047-52606	RW 9B1-27B	Sec 27 T07S R23E 2155 FSL 0716 FEL BHL Sec 27 T07S R23E 2453 FSL 0982 FEL
43-047-52608	RW 9B4-27B	Sec 27 T07S R23E 2121 FSL 0691 FEL BHL Sec 27 T07S R23E 2121 FSL 0982 FEL

RECEIVED: May 10, 2012

API #	WELL NAME	LOCATION
(Proposed PZ MESA VERDE)		
RED WASH 43-27B PAD		
43-047-52609	RW 9C1-27B	Sec 27 T07S R23E 2110 FSL 0682 FEL
		BHL Sec 27 T07S R23E 1792 FSL 0982 FEL
43-047-52610	RW 9C4-27B	Sec 27 T07S R23E 2099 FSL 0674 FEL
		BHL Sec 27 T07S R23E 1462 FSL 0984 FEL
43-047-52611	RW 10B1-27B	Sec 27 T07S R23E 2380 FSL 0888 FEL
		BHL Sec 27 T07S R23E 2459 FSL 2304 FEL
43-047-52614	RW 10B4-27B	Sec 27 T07S R23E 2369 FSL 0879 FEL
		BHL Sec 27 T07S R23E 2125 FSL 2308 FEL
43-047-52615	RW 10C1-27B	Sec 27 T07S R23E 2358 FSL 0871 FEL
		BHL Sec 27 T07S R23E 1796 FSL 2305 FEL
43-047-52616	RW 10C4-27B	Sec 27 T07S R23E 2346 FSL 0862 FEL
		BHL Sec 27 T07S R23E 1467 FSL 2308 FEL
43-047-52617	RW 12B1-26B	Sec 27 T07S R23E 2313 FSL 0485 FEL
		BHL Sec 26 T07S R23E 2465 FSL 0339 FWL
43-047-52618	RW 12B4-26B	Sec 27 T07S R23E 2302 FSL 0476 FEL
		BHL Sec 26 T07S R23E 2134 FSL 0339 FWL
43-047-52619	RW 15C1-27B	Sec 27 T07S R23E 2313 FSL 0837 FEL
		BHL Sec 27 T07S R23E 0474 FSL 2309 FEL
43-047-52620	RW 15B4-27B	Sec 27 T07S R23E 2324 FSL 0845 FEL
		BHL Sec 27 T07S R23E 0803 FSL 2309 FEL
43-047-52621	RW 15C4-27B	Sec 27 T07S R23E 2302 FSL 0828 FEL
		BHL Sec 27 T07S R23E 0134 FSL 2309 FEL
43-047-52622	RW 16B1-27B	Sec 27 T07S R23E 2088 FSL 0665 FEL
		BHL Sec 27 T07S R23E 1128 FSL 0985 FEL
43-047-52623	RW 16C1-27B	Sec 27 T07S R23E 2077 FSL 0657 FEL
		BHL Sec 27 T07S R23E 0470 FSL 0983 FEL
43-047-52624	RW 7B1-27B	Sec 27 T07S R23E 2527 FSL 0648 FEL
		BHL Sec 27 T07S R23E 1500 FNL 2300 FEL
43-047-52625	RW 13B1-26B	Sec 27 T07S R23E 2269 FSL 0451 FEL
		BHL Sec 26 T07S R23E 1145 FSL 0338 FWL
43-047-52626	RW 12C1-26B	Sec 27 T07S R23E 2291 FSL 0468 FEL
		BHL Sec 26 T07S R23E 1805 FSL 0339 FWL
43-047-52627	RW 5C4-26B	Sec 27 T07S R23E 2324 FSL 0493 FEL
		BHL Sec 26 T07S R23E 2484 FNL 0338 FWL

RECEIVED: May 10, 2012

API #	WELL NAME	LOCATION

(Proposed PZ MESA VERDE)

RED WASH 43-27B PAD

43-047-52628	RW 7B4-27B	Sec 27 T07S R23E 2516 FSL 0639 FEL
		BHL Sec 27 T07S R23E 1829 FNL 2302 FEL
43-047-52629	RW 13B4-26B	Sec 27 T07S R23E 2258 FSL 0442 FEL
		BHL Sec 26 T07S R23E 0814 FSL 0339 FWL
43-047-52630	RW 12C4-26B	Sec 27 T07S R23E 2280 FSL 0459 FEL
		BHL Sec 26 T07S R23E 1474 FSL 0337 FWL
43-047-52631	RW 13C4-26B	Sec 27 T07S R23E 2247 FSL 0434 FEL
		BHL Sec 26 T07S R23E 0133 FSL 0338 FWL
43-047-52634	RW 2C4-27B	Sec 27 T07S R23E 2538 FSL 0656 FEL
		BHL Sec 27 T07S R23E 1166 FNL 2300 FEL

RED WASH 44-22B PAD

43-047-52649	RW 2B1-27B	Sec 22 T07S R23E 0525 FSL 0801 FEL
		BHL Sec 27 T07S R23E 0174 FNL 2299 FEL

This office has no objection to permitting the wells at this time.

Michael L. Coulthard

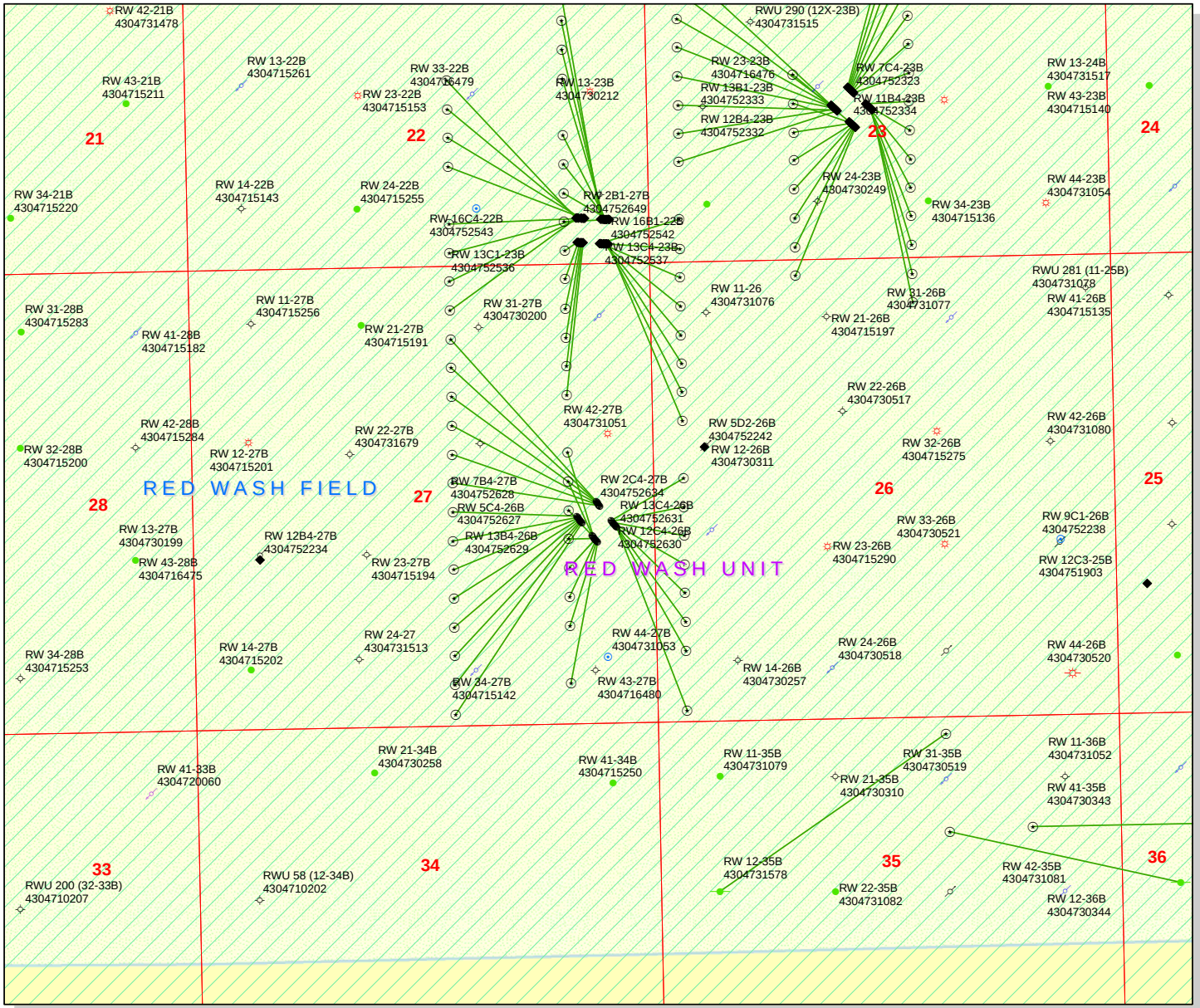
Digitally signed by Michael L. Coulthard
DN: cn=Michael L. Coulthard, o=Bureau of Land Management, ou=Branch of Minerals, email=Michael_Coulthard@blm.gov, c=US
Date: 2012.05.10 15:29:20 -06'00'

bcc: File - Red Wash Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:5-10-12

RECEIVED: May 10, 2012

API Well Number: 43047526280000



API Number: 4304752628

Well Name: RW 7B4-27B

Township T0.7 . Range R2.3 . Section 27

Meridian: SLBM

Operator: QEP ENERGY COMPANY

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
- ACTIVE
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields
STATUS
- Unknown
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- STORAGE
- TERMINATED

Wells Query
Status
- APD - Aproved Permit
- DRL - Spuded (Drilling Commenced)
- GIW - Gas Injection
- GS - Gas Storage
- LA - Location Abandoned
- LOC - New Location
- OPS - Operation Suspended
- PA - Plugged Abandoned
- PGW - Producing Gas Well
- POW - Producing Oil Well
- RET - Returned APD
- SGW - Shut-in Gas Well
- SOW - Shut-in Oil Well
- TA - Temp. Abandoned
- TW - Test Well
- WDW - Water Disposal
- WIW - Water Injection Well
- WSW - Water Supply Well

1,500 750 0 1,500 Feet

1:14,184

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 4/30/2012
API NO. ASSIGNED: 43047526280000
WELL NAME: RW 7B4-27B
OPERATOR: QEP ENERGY COMPANY (N3700)
PHONE NUMBER: 435 781-4331
CONTACT: Jan Nelson

PROPOSED LOCATION: NESE 27 070S 230E
Permit Tech Review: ☑

SURFACE: 2516 FSL 0639 FEL
Engineering Review: ☐

BOTTOM: 1829 FNL 2302 FEL
Geology Review: ☑

COUNTY: UINTAH
LATITUDE: 40.18021
LONGITUDE: -109.30602
UTM SURF EASTINGS: 644220.00
NORTHINGS: 4449135.00
FIELD NAME: RED WASH
LEASE TYPE: 1 - Federal
LEASE NUMBER: UTU0566
PROPOSED PRODUCING FORMATION(S): MESA VERDE
SURFACE OWNER: 1 - Federal
COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☑ **PLAT**
- ☑ **Bond:** FEDERAL - ESB000024
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** 49-251/49-2153
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit: RED WASH

- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: Cause 187-07
Effective Date: 9/18/2001
Siting: Suspends General Siting

- ☑ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 4 - Federal Approval - dmason
15 - Directional - dmason

RECEIVED: May 17, 2012

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill
****

Well Name: RW 7B4-27B
API Well Number: 43047526280000
Lease Number: UTU0566
Surface Owner: FEDERAL
Approval Date: 5/17/2012

Issued to:
QEP ENERGY COMPANY, 11002 East 17500 South, Vernal, Ut 84078

Authority:
Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 187-07. The expected producing formation or pool is the MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:
State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284
  (please leave a voicemail message if not available)
  OR
  submit an electronic sundry notice (pre-registration required) via the Utah Oil &

Gas website
at http://oilgas.ogm.utah.gov

Reporting Requirements:
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

For John Rogers
Associate Director, Oil & Gas

Form 3160-3
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 04 2012

BLM, Vernal Utah

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

CONFIDENTIAL

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

5. Lease Serial No.
UTU0566

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
892000761X D

8. Lease Name and Well No.
RW 7B4-27B

2. Name of Operator
QEP ENERGY COMPANY
Contact: VALYN DAVIS
E-Mail: Valyn.Davis@qepres.com

9. API Well No.
43-047-52628

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435-781-4369
Fx: 435-781-4395

10. Field and Pool, or Exploratory
RED WASH

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface NESE 2516FSL 639FEL 40.180211 N Lat, 109.306053 W Lon

At proposed prod. zone SWNE 1829FNL 2302FEL 40.182772 N Lat, 109.312000 W Lon

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 27 T7S R23E Mer SLB

14. Distance in miles and direction from nearest town or post office*
24 MILES +/- SOUTHEAST OF VERNAL, UTAH

12. County or Parish
UINTAH

13. State
UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
639'

16. No. of Acres in Lease
1920.00

17. Spacing Unit dedicated to this well
20.00

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
+/- 5940' FROM UNIT BOUNDARY LINE

19. Proposed Depth
11328 MD
11018 TVD

20. BLM/BIA Bond No. on file
ESB000024

21. Elevations (Show whether DF, KB, RT, GL, etc.
5502 GL

22. Approximate date work will start
10/01/2012

23. Estimated duration
30 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	VALYN DAVIS Ph: 435-781-4369	04/25/2012

Title
REGULATORY AFFAIRS ANALYST

Approved by (Signature)	Name (Printed/Typed)	Date
	Jerry Kenczka	AUG 30 2012
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached. CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #136461 verified by the BLM Well Information System
For QEP ENERGY COMPANY, sent to the Vernal

UDOGM

RECEIVED
SEP 17 2012
DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

12PPH2260AE NOS 3/27/12.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**QEP Energy Company**	**Location:**	**NESE, Sec. 27, T7S, R23E**
Well No:	**RW 7B4-27B**	**Lease No:**	**UTU-0566**
API No:	**43-047-52628**	**Agreement:**	**Red Wash Unit**

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: blm_ut_vn_opreport@blm.gov
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- When feasible, two or more rigs (including drilling and completion rigs) will not be run simultaneously within 200 meters of each other. If two or more rigs must be run simultaneously within 200 meters of each other, then effective public health buffer zones out to 200 meters (m) from the nearest emission source will be implemented. Examples of an effective public health protection buffer zone include the demarcation of a public access exclusion zone by signage at intervals of every 250 feet that is visible from a distance of 125 feet during daylight hours, and a physical buffer such as active surveillance to ensure the property is not accessible by the public during drilling operations. Alternatively, the proponent may demonstrate compliance with the 1-hour NO2 National Ambient Air Quality Standards (NAAQS) with appropriate and accepted near-field modeling. As part of this demonstration, the proponent may propose alternative mitigation that could include but is not limited to natural gas–fired drill rigs, installation of NOX controls, time/use restrictions, and/or drill rig spacing.
- Green completions would be used for all well completion activities where technically feasible.
- Employ enhanced VOC emission controls with 95% control efficiency on production equipment having a potential to emit greater than 5 tons per year.
- The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. The reserve pits for the wells will be lined with a 16 ml liner with felt.
- A dike will be constructed around those production facilities that contain fluids. The dikes will be constructed of compacted subsoil. They will be impervious, hold 10 percent more than the capacity of the largest tank, and be independent of the back cut.
- All permanent (meaning on site for six months or longer) structures will be painted Covert Green to match the surrounding landscape color unless otherwise authorized. This will include all facilities except those required to comply with Occupational Safety and Health Act (OSHA) regulations.
- If dry, the wells will be plugged and abandoned as per BLM and State of Utah requirements.
- Prior to construction, an invasive plants/noxious weeds inventory will be completed for all areas where surface disturbance will occur. A completed Weed Inventory form documenting any occurrences of invasive plants or noxious weeds will be submitted to the BLM Authorized Officer before surface disturbance will occur.

- All vehicles and equipment would be cleaned either through power-washing, or other approved method, if the vehicles or equipment are brought in from areas outside the Uinta Basin, to prevent weed seed introduction.

- The operator will control noxious/invasive weeds along their roads, pipelines, well sites, or other applicable facilities by the application of herbicides or by mechanical removal until reclamation is considered to be successful by the authorized officer (AO) and the bond for the well is released. A list of noxious weeds will be obtained from the BLM or the appropriate county extension office. On BLM-administered land, the operator will submit a Pesticide Use Proposal and obtain approval prior to the application of herbicides, other pesticides, or possible hazardous chemicals.

- Immediately upon well completion, the location and surrounding area shall be cleared of all unused tubing, equipment, debris, materials, and trash. Any hydrocarbons in the pit will be removed in accordance with 43 CFR 3162.7-1.

- The reserve pit and the portion of the well not needed for production facilities/operations shall be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 120 days from the date of well completion, or as soon as environmental conditions allow. The stockpiled pit topsoil will then be spread over the pit area and broadcast-seeded/drill seeded (preferred method) with a seed mix submitted to the BLM Authorized Officer (AO) for approval prior to seeding. Seeding will be done in the fall prior to winter freezing of the soil. The seed mixture shall be worked into the topsoil with a drill seeder, bulldozer or other heavy equipment. If initial seeding is not successful, reseeding may be required.

- Once the well is plugged and facilities are removed and abandoned, the topsoil shall be stripped and stockpiled off of the location, and the well site, pipelines, and access roads will be returned to natural contours. The topsoil shall be respread, and the location seeded with the mixture submitted to the BLM AO. The seed mixture shall be worked into the topsoil with a drill seeder, bulldozer or other heavy equipment.

- Interim reclamation, final reclamation, and monitoring of reclaimed areas will be completed in accordance with the QEP Energy Company, Uinta Basin Division's Reclamation Plan, September 2009 on file with the Vernal Field Office of the BLM.

- Prior to any surface disturbance, vegetative monitoring locations and reference sites will be identified by QEP and approved by the BLM AO. Vegetation monitoring protocol will be developed by QEP and approved by the BLM AO prior to implementation of revegetation techniques and will be designed to monitor % basal vegetative cover.

- Revegetated areas will be inspected annually and monitored to document location and extent of areas with successful revegetation, and areas needing further reclamation (for a period of 5 years after construction completion). A reclamation report will be submitted to the AO by March 31 of each year.

- QEP has agreed not to construct or drill during the following dates, unless otherwise determined by the BLM Authorized Officer.

Table 2-2 Raptor nesting timing restriction

Well Name	Burrowing Owl: March 1 to August 31
CPF	Yes
RW 23-23B Pad	No
RW 44-22B Pad	No
RW 43-27B Pad	No

Yes indicates QEP will not drill or construct during this time period.

- QEP will educate its contractors and employees about the relevant federal regulations intended to protect paleontological and cultural resources. All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to areas cleared by the site inventory and to existing roads. If any potential paleontological or cultural resources are uncovered during construction, work will stop immediately in the area and the appropriate BLM AO will be notified.

DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

Site Specific Drilling Plan COA's:

- A formation integrity test shall be performed at the surface casing shoe.
- Gamma Ray Log shall be run from Total Depth to Surface.

Variances Granted

Air Drilling

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 75' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted "T's" at bends.
- Automatic igniter. Variance granted for igniter due to water mist.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

- **Please submit an electronic copy of all other logs run on this well in LAS format to BLM_UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.

    - Well name and number.

    - Well location (¼¼, Sec., Twn, Rng, and P.M.).

    - Date well was placed in a producing status (date of first production for which royalty will be paid).

    - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

    - Unit agreement and/or participating area name and number, if applicable.

    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs,

core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0566

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: RED WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: RW 7B4-27B

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047526280000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 308-3068 Ext

9. FIELD and POOL or WILDCAT: RED WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2516 FSL 0639 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 27 Township: 07.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/14/2017	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

Approved by the Utah Division of Oil, Gas and Mining

Date: May 20, 2013

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Valyn Davis	435 781-4369	Regulatory Affairs Analyst
SIGNATURE N/A		**DATE** 5/16/2013

RECEIVED: May. 16, 2013

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047526280000

API: 43047526280000
Well Name: RW 7B4-27B
Location: 2516 FSL 0639 FEL QTR NESE SEC 27 TWNP 070S RNG 230E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 5/17/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Signature: Valyn Davis **Date:** 5/16/2013
Title: Regulatory Affairs Analyst **Representing:** QEP ENERGY COMPANY

RECEIVED: May. 16, 2013

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0566

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: RED WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: RW 7B4-27B

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047526280000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 308-3068 Ext

9. FIELD and POOL or WILDCAT: RED WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2516 FSL 0639 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 27 Township: 07.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/17/2015	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPITONED WELL.

Approved by the Utah Division of Oil, Gas and Mining
May 19, 2014
Date:
By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Valyn Davis	435 781-4369	Regulatory Affairs Analyst
SIGNATURE N/A		**DATE** 5/15/2014

RECEIVED: May. 15, 2014

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047526280000

API: 43047526280000
Well Name: RW 7B4-27B
Location: 2516 FSL 0639 FEL QTR NESE SEC 27 TWNP 070S RNG 230E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 5/17/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Signature: Valyn Davis **Date:** 5/15/2014
Title: Regulatory Affairs Analyst **Representing:** QEP ENERGY COMPANY

RECEIVED: May. 15, 2014

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
AUG 28 2014
BLM

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU0566

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
892000761D

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
RW 7B4-27B

2. Name of Operator
QEP ENERGY COMPANY
Contact: VALYN DAVIS
E-Mail: valyn.davis@qepres.com

9. API Well No.
43-047-52628-00-X1

3a. Address
11002 EAST 17500 SOUTH
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435-781-4369

10. Field and Pool, or Exploratory
RED WASH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 27 T7S R23E NESE 2516FSL 639FEL
40.180211 N Lat, 109.306053 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original A PD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

QEP ENERGY COMPANY HEREBY REQUESTS A TWO YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

BLM APPROVAL DATE: 8/30/2012
APD: 8/30/12
NEPA: 2011-170-EA

RECEIVED
SEP 29 2014
DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

VERNAL FIELD OFFICE
ENG. 9/15/14
GEOL.
E.S.
PET
RECL.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #258842 verified by the BLM Well Information System
For QEP ENERGY COMPANY, sent to the Vernal
Committed to AFMSS for processing by JOHNETTA MAGEE on 09/02/2014 (14JM1808SE)

Name *(Printed/Typed)* VALYN DAVIS — Title REGULATORY AFFAIRS ANALYST

Signature (Electronic Submission) — Date 08/28/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title Assistant Field Manager Lands & Mineral Resources — Date SEP 17 2014

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office VERNAL FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED**

UDOGM

Revisions to Operator-Submitted EC Data for Sundry Notice #258842

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	OTHER NOI	APDCH NOI
Lease:	UTU0566	UTU0566
Agreement:	UTU63010D	892000761D (UTU63010D)
Operator:	QEP ENERGY COMPANY 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435-781-4369	QEP ENERGY COMPANY 11002 EAST 17500 SOUTH VERNAL, UT 84078 Ph: 435-781-4032 Fx: 435-781-4045
Admin Contact:	VALYN DAVIS REGULATORY AFFAIRS ANALYST E-Mail: valyn.davis@qepres.com Cell: 435-828-1058 Ph: 435-781-4369	VALYN DAVIS REGULATORY AFFAIRS ANALYST E-Mail: valyn.davis@qepres.com Ph: 435-781-4369
Tech Contact:	VALYN DAVIS REGULATORY AFFAIRS ANALYST E-Mail: valyn.davis@qepres.com Cell: 435-828-1058 Ph: 435-781-4369	VALYN DAVIS REGULATORY AFFAIRS ANALYST E-Mail: valyn.davis@qepres.com Ph: 435-781-4369
Location: State: County:	 UT UINTAH	 UT UINTAH
Field/Pool:	RED WASH	RED WASH
Well/Facility:	RW 7B4-27B Sec 27 T7S R23E Mer SLB NESE 2516FSL 639FEL 40.180211 N Lat, 109.306053 W Lon	RW 7B4-27B Sec 27 T7S R23E NESE 2516FSL 639FEL 40.180211 N Lat, 109.306053 W Lon

CONDITIONS OF APPROVAL

QEP ENERGY COMPANY

Notice of Intent
APD Extension

Lease: UTU-0566
Well: RW 7B4-27B
Location: NESE Sec 27-T7S-R23E

An extension for the referenced APD is granted as requested with the following conditions:

---

1. The extension and APD shall expire on 08/30/2016.

2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0566

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: RED WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: RW 7B4-27B

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047526280000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 595-5919 Ext

9. FIELD and POOL or WILDCAT: RED WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2516 FSL 0639 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 27 Township: 07.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/17/2016	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

Approved by the
Utah Division of
Oil, Gas and Mining
May 14, 2015
Date:
By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Valyn Davis	435 781-4369	Regulatory Affairs Analyst
SIGNATURE		**DATE**
N/A		5/14/2015

RECEIVED: May. 14, 2015

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047526280000

API: 43047526280000
Well Name: RW 7B4-27B
Location: 2516 FSL 0639 FEL QTR NESE SEC 27 TWNP 070S RNG 230E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 5/17/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Signature: Valyn Davis **Date:** 5/14/2015
Title: Regulatory Affairs Analyst **Representing:** QEP ENERGY COMPANY

RECEIVED: May. 14, 2015

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU0566

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: RED WASH

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: RW 7B4-27B

2. NAME OF OPERATOR: QEP ENERGY COMPANY

9. API NUMBER: 43047526280000

3. ADDRESS OF OPERATOR: 11002 East 17500 South , Vernal, Ut, 84078

PHONE NUMBER: 303 595-5919 Ext

9. FIELD and POOL or WILDCAT: RED WASH

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 2516 FSL 0639 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 27 Township: 07.0S Range: 23.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/17/2017	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP ENERGY COMPANY HEREBY REQUESTS A ONE YEAR EXTENSION FOR THE APD ON THE ABOVE CAPTIONED WELL.

Approved by the
Utah Division of
Oil, Gas and Mining
May 17, 2016
Date:
By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jan Nelson	435 781-4331	Permit Agent
SIGNATURE		**DATE**
N/A		5/16/2016

RECEIVED: May. 16, 2016

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047526280000

API: 43047526280000
Well Name: RW 7B4-27B
Location: 2516 FSL 0639 FEL QTR NESE SEC 27 TWNP 070S RNG 230E MER S
Company Permit Issued to: QEP ENERGY COMPANY
Date Original Permit Issued: 5/17/2012

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- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Signature: Jan Nelson **Date:** 5/16/2016
Title: Permit Agent **Representing:** QEP ENERGY COMPANY

RECEIVED: May. 16, 2016

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Green River District
Vernal Field Office
170 South 500 East
Vernal, UT 84078
http://www.blm.gov/ut/st/en/fo/vernal.html

NOV 10 2016

IN REPLY REFER TO:
3160 (UTG011)

RECEIVED
NOV 25 2016
DIV. OF OIL, GAS & MINING

QEP Energy Company
Att: Jan Nelson
11002 East 17500 South
Vernal, Utah 84078

Dear Jan Nelson

The referenced Applications for Permit to Drill (APD) have expired. According to our records, although no known activity has transpired for these specific wells there is a producing well on each pad. In view of the foregoing, this office is notifying you that the approval of the referenced applications has expired. If you intend to drill at these locations in the future, a new Application for Permit to Drill must be submitted.

43-047

	Lease	Well	Aliquot	Sec., T., R.	Date Rec'd	APD Approved	Date Exp'd
52548	UTU-0566	RW 2C1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/9/2012	10/9/2016
52609	UTU-0566	RW 9C1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/9/2012	10/9/2016
52608	UTU-0566	RW 9B4-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/9/2012	10/9/2016
52606	UTU-0566	RW 9B1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	8/30/2012	10/9/2016
52601	UTU-0566	RW 7C4-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/9/2012	8/30/2016
52610	UTU-0566	RW 9C4-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/9/2012	10/9/2016
52611	UTU-0566	RW 10B1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/12/2012	10/9/2016
52614	UTU-0566	RW 10B4-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/12/2012	10/12/2016
52615	UTU-0566	RW 10C1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/9/2012	10/9/2016
52616	UTU-0566	RW 10C4-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/9/2012	10/9/2016
52620	UTU-0566	RW 15B4-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/12/2012	10/12/2016
52619	UTU-0566	RW15C1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/12/2012	10/12/2016
52621	UTU-0566	RW 15C4-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/12/2012	10/12/2016
52622	UTU-0566	RW 16B1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/12/2012	10/12/2016
52623	UTU-0566	RW 16C1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	8/30/2012	8/30/2016
52628	UTU-0566	RW 7B4-27B	SWNE	Sec.27-T7S-R23E	5/4/2012	8/30/2012	8/30/2016
52605	UTU-0566	RW15B1-27B	NESE	Sec.27-T7S-R23E	5/4/2012	10/12/2012	10/12/2016
52634	UTU-0566	RW 2C4-27BC	NESE	Sec. 27-T7S-R23E	5/4/2012	8/30/2012	8/30/2016

This office requires a letter confirming that no surface disturbance has been made for these drill sites. Any surface disturbance associated with the approved location of these wells is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact Beth Hamann at (435) 781-3430.

Sincerely,

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources